

By Mr. MONTAGUE: A bill (H. R. 11519) granting a pension to Annie R. C. Owen; to the Committee on Pensions.

By Mr. MOREHEAD: A bill (H. R. 11520) granting an increase of pension to Alice A. Minick; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 11521) granting a pension to John Nidy; to the Committee on Invalid Pensions.

By Mr. REED of New York: A bill (H. R. 11522) to ratify and confirm an extension of lease given by the Seneca Nation of Indians for the right to excavate sand on the Cattaraugus Reservation in the State of New York; to the Committee on Indian Affairs.

By Mr. SEARS of Nebraska: A bill (H. R. 11523) authorizing the redemption by the United States Treasury of 20 war-savings stamps (series 1918) now held by Dr. John Mack, of Omaha, Nebr.; to the Committee on Claims.

Also, a bill (H. R. 11524) refunding to Pontus Hilmer Bergstrom the sum of \$100, with interest from December, 1919, being money expended for an operation from disabilities incurred while in the naval service; to the Committee on War Claims.

By Mr. SMITH: A bill (H. R. 11525) granting a pension to Sadie Humphrey; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 11526) granting an increase of pension to Mary Campbell; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 11527) granting a pension to Nettie Shaw; to the Committee on Invalid Pensions.

By Mr. SWEET: A bill (H. R. 11528) granting an increase of pension to Kate Mount; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11529) for the relief of John L. Eveleigh; to the Committee on Claims.

By Mr. TAYLOR of Colorado: A bill (H. R. 11530) granting a pension to Dorthula E. Smith; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11531) granting a pension to Jacob L. Walker; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 11532) granting a pension to Linnie Bentley; to the Committee on Pensions.

Also, a bill (H. R. 11533) granting a pension to Mary Ash; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11534) granting a pension to Martha M. Ellison; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 11535) granting a pension to Margaret S. Gossett; to the Committee on Invalid Pensions.

By Mr. WILSON of Indiana: A bill (H. R. 11536) granting an increase of pension to Anna M. McKain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11537) granting an increase of pension to Catherine Mayer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11538) granting a pension to Robert D. McCoy; to the Committee on Invalid Pensions.

By Mr. WOOD: A bill (H. R. 11539) granting an increase of pension to Eliza Hatten; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3400. By Mr. CONNERY: Petition of the board of directors of the Boston Real Estate Exchange, urging the defeat of Senate bill 3764 and House bill 11078, which propose the creation of a rent commission for the District of Columbia; to the Committee on the District of Columbia.

3401. Also, petition of the Massachusetts Trust Co. Association, approving the resolution adopted by delegates of the National Association of Supervisors of State Banks urging the elimination of certain parts of section 9 of the Federal reserve act; to the Committee on Banking and Currency.

3402. Also, petition of the Massachusetts Bar Association, urging the passage of Senate bill 3363, increasing the salaries of the Federal judiciary; to the Committee on the Judiciary.

3403. By Mr. FULLER: Petitions of the Rockford (Ill.) Real Estate Board and the Chicago Real Estate Board, protesting against the passage of the bills (S. 3764 and H. R. 11078) establishing a permanent rent commission; to the Committee on the District of Columbia.

3404. Also, petitions of the Rotary Club and the Chamber of Commerce, both of Peru, Ill., opposing legislation to give the Sanitary District of Chicago the right to continue indefinitely the pollution of the Illinois River with sewage to the detriment of the cities and people in the Illinois Valley; to the Committee on Rivers and Harbors.

3405. By Mr. GALLIVAN: Petition of executive committee of the Massachusetts Trust Co. Association, unanimously approving the resolution adopted by the delegates of the National Association of Supervisors of State Banks at their twenty-third annual convention, held at Buffalo, N. Y., on July 21, 22, and 23, 1924, with regard to the relationship of State banking system with the Federal reserve system; to the Committee on Banking and Currency.

3406. By Mr. GUYER: Petition of Princeton Post, No. 111, Department of Kansas, G. A. R., protesting the passage of Senate bill 684, authorizing the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain a monument to the soldiers of the Confederacy; to the Committee on Banking and Currency.

3407. By Mr. KETCHAM: Petition of citizens of Benton Harbor, Mich., protesting against Senate bill 3218, providing for compulsory Sunday observance; to the Committee on the District of Columbia.

3408. By Mr. O'CONNELL of New York: Petition of the Jamaica Community Branch, Young Men's Christian Association of Brooklyn and Queens, New York, urging the Foreign Relations Committee of the Senate to report the resolution providing for the participation of the United States in the World Court on the Harding-Hughes terms so that it may be voted upon by the whole Senate; to the Committee on Foreign Affairs.

3409. By Mr. PEAVEY: Petition of J. O. Marsh and other citizens of Superior, Wis., opposing the passage of the compulsory Sunday observance bill (S. 3218) for the District of Columbia or the enactment of any other religious legislation; to the Committee on the District of Columbia.

3410. By Mr. SEGER: Petition of Charles E. Dietz, Thomas Barbour, and 70 other residents of Paterson and vicinity, against passage of Senate bill 3218, compulsory Sunday observance bill for the District of Columbia; to the Committee on the District of Columbia.

3411. By Mr. TILLMAN: Petition of residents of the State of Arkansas, opposed to the compulsory Sunday observance bill (S. 3218); to the Committee on the District of Columbia.

3412. By Mr. WILLIAMS of Michigan: Petition of Alex Franz and 36 other residents of Charlotte, Mich., protesting against the passage of Senate bill 3218, the so-called Sunday observance bill; to the Committee on the District of Columbia.

SENATE

Monday, January 12, 1925

(Legislature day of Monday, January 5, 1925)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Farrell, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 62) to create two judicial districts within the State of Indiana, the establishment of judicial divisions therein, and for other purposes.

The message also announced that the House disagreed to the amendments of the Senate to the bill (H. R. 10404) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1926, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MADDEN, Mr. MAGEE of New York, Mr. WASON, Mr. BUCHANAN, and Mr. LEE were appointed managers on the part of the House at the conference.

ANNUAL REPORT OF THE PUBLIC PRINTER

The PRESIDENT pro tempore laid before the Senate a communication from the Public Printer, transmitting, pursuant to law, the annual report of the operations of the Government Printing Office for the fiscal year ended June 30, 1924, which was referred to the Committee on Printing.

MEMORIAL

Mr. WARREN presented a memorial of sundry citizens of Medicine Bow, Wyo., remonstrating against the enactment of any Sunday observance or other religious legislation applicable to the District of Columbia, which was referred to the Committee on the District of Columbia.

JUDICIAL DISTRICTS OF INDIANA—CONFERENCE REPORT

Mr. SHORTRIDGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 62) to create two judicial districts in the State of Indiana, the establishment of judicial divisions therein, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendments insert the following:

"That the State of Indiana shall constitute one judicial district to be known as the district of Indiana. For the purpose of holding terms of court the district shall be divided into seven divisions constituted as follows: The Indianapolis division, which shall include the territory embraced within the counties of Bartholomew, Boone, Brown, Clinton, Decatur, Delaware, Fayette, Fountain, Franklin, Hamilton, Hancock, Hendricks, Henry, Howard, Johnson, Madison, Marion, Monroe, Montgomery, Morgan, Randolph, Rush, Shelby, Tipton, Union, and Wayne; the Fort Wayne division, which shall include the territory embraced within the counties of Adams, Allen, Blackford, De Kalb, Huntington, Jay, Lagrange, Noble, Steuben, Wells, and Whitley; the South Bend division, which shall include the territory embraced within the counties of Cass, Elkhart, Fulton, Kosciusko, La Porte, Marshall, Miami, Pulaski, St. Joseph, Starke, and Wabash; the Hammond division, which shall include the territory embraced within the counties of Benton, Carroll, Jasper, Lake, Newton, Porter, Tippecanoe, Warren, and White; the Terre Haute division, which shall include the territory embraced within the counties of Clay, Greene, Knox, Owen, Parke, Putnam, Sullivan, Vermillion, and Vigo; the Evansville division, which shall include the territory embraced within the counties of Daviess, Dubois, Gibson, Martin, Perry, Pike, Posey, Spencer, Vanderburg, and Warrick; the New Albany division, which shall include the territory embraced within the counties of Clark, Crawford, Dearborn, Floyd, Harrison, Jackson, Jefferson, Jennings, Lawrence, Ohio, Orange, Ripley, Scott, Switzerland, and Washington.

"SEC. 2. That except as hereinafter in this section provided terms of the district court for the Indianapolis division shall be held at Indianapolis on the first Mondays of May and November of each year; for the Fort Wayne division, at Fort Wayne on the first Mondays of June and December of each year; for the South Bend division, at South Bend on the second Mondays of June and December of each year; for the Hammond division, at Hammond on the first Mondays of January and July of each year; for the Terre Haute division, at Terre Haute on the first Mondays of April and October of each year; for the Evansville division, at Evansville on the second Mondays of April and October of each year; for the New Albany division, at New Albany on the third Mondays of April and October of each year. When the time fixed as above for the sitting of the court shall fall on a Sunday or a legal holiday, the term shall begin upon the next following day not a Sunday or a legal holiday. Terms of the district court shall not be limited to any particular number of days, nor shall it be necessary for any term to adjourn by reason of the intervention of a term of court elsewhere; but the term about to commence in another division may be postponed or adjourned over until the business of the court in session is concluded.

"SEC. 3. That the President of the United States be, and is hereby, authorized and directed by, and with the advice and consent of the Senate to appoint an additional district judge for the district of Indiana, who shall reside in said district, and whose term of office, compensation, duties, and powers shall be the same as now provided by law for the judge of said district.

"SEC. 4. That the clerk of the court for the district shall maintain an office in charge of himself or a deputy at Indianapolis, Fort Wayne, South Bend, Hammond, Terre Haute, Evansville, and New Albany. Such offices shall be kept open at all times for the transaction of the business of the court. Each deputy clerk shall keep in his office full records of all actions and proceedings of the district court held at the place in which the office is located.

"SEC. 5. A judge of the District Court for the District of Indiana may, in his discretion, cause jurors to be summoned for a petit jury in criminal cases, from the division in which the cause is to be tried or from an adjoining division, and cause

jurors for a grand jury to be summoned from such parts of the district as he shall from time to time direct. A grand jury summoned to attend a term of such court may investigate, and find an indictment or make a presentment for, any crime or offense committed in the district, whether or not the crime or offense was committed in the division in which the jury is in session.

"SEC. 6. That either party in a civil or criminal proceeding in said district may apply to the court in term or to a judge thereof in vacation for a change of venue from the division where a suit or proceeding has been instituted to an adjoining division and the court in its discretion, or the judge in his discretion, may grant such a change."

Amend the title so as to read: "An act to authorize the appointment of an additional district judge in and for the district of Indiana and to establish judicial divisions therein, and for other purposes."

And the Senate agree to the same.

SAMUEL M. SHORTRIDGE,
R. P. ERNST,
LEE S. OVERMAN,

Managers on the part of the Senate.

GEO. S. GRAHAM,
ANDREW J. HICKEY,
HATTON W. SUMNERS,

Managers on the part of the House.

Mr. WATSON. I ask that the Senate now agree to the conference report.

The report was agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 3915) granting an increase of pension to Ellen L. Goodwin (with accompanying papers); to the Committee on Pensions.

By Mr. HARRELD:

A bill (S. 3916) granting an increase of pension to Mary L. Palmer; to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 3917) granting an increase of pension to Mary M. Croft; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 3918) authorizing the use of cancellation dies by philanthropic and charitable associations; to the Committee on Post Offices and Post Roads.

PROPOSED BUREAU OF COAL ECONOMICS

Mr. ODDIE submitted an amendment intended to be proposed by him to the bill (S. 179) to establish a department of mines, and for other purposes, which was referred to the Committee on Mines and Mining and ordered to be printed.

AMENDMENT TO URGENT DEFICIENCY APPROPRIATION BILL

Mr. McNARY submitted an amendment proposing to appropriate \$8,000 for Indian school, Chemawa, Salem, Oreg., intended to be proposed by him to House bill 11308, the urgent deficiency appropriation bill, which was ordered to lie on the table and to be printed.

LANDS FOR NAVAL PURPOSES

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 8732) to authorize the disposition of lands no longer needed and the acquisition of other lands required for naval purposes, which was referred to the Committee on Naval Affairs and ordered to be printed.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER (Mr. CAPPER in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 10404) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1926, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McNARY. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McNARY, Mr. JONES of Washington, Mr. CAPPER, Mr. SMITH, and Mr. OVERMAN conferees on the part of the Senate.

MUSCLE SHOALS

The Senate resumed the consideration of the bill (H. R. 518) to authorize and direct the Secretary of War, for national

defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam-power plant to be located and constructed at or near Lock and Dam No. 17, on the Black Warrior River, Ala., with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

Mr. McKELLAR. Mr. President, a day or two ago my very greatly esteemed friend the senior Senator from Arkansas [Mr. ROBINSON] made the statement that the real issue underlying the controversy over Muscle Shoals is the issue between those who favor public ownership and operation and those who do not, and those who were opposed to Government operation voted for the Underwood bill and those who favored Government operation voted against it. I am constrained to believe that my distinguished friend, who is such a splendid lawyer, such an able statesman, such a fair debater, has certainly made a mistake in declaring that is the issue in the controversy. There is no real element of public ownership involved in the bill, or in either one of the bills. May I say, however, that if it is in one bill it is just as much in the other bill. Both bills provide for public operation. The Underwood bill provides for public ownership just as certainly as does the Norris bill. It is not a question of public ownership, therefore. The principle of government ownership and operation can not apply to one unless it applies to the other, because the principle of the two bills is the same in so far as public ownership and operation is concerned.

In the next place, I do not understand by the term "public ownership and operation" that it really has anything to do with the question we are now considering. As I understand public ownership and operation, it is where a government, whether national, State, or municipal, takes over or builds a plant for the purpose of going into competition with a private plant and conducts a business, for instance, like the ownership and operation of the railroads or of the telegraph and telephone companies or any other public utility. There is no such purpose in either one of the bills. There is no such purpose in connection with this plant, as I understand it. This plant was built for war purposes. It was built by the President of the United States by the use of a general appropriation that was put in his hands for war purposes, and a part of the money was allotted for the building of this great plant. It was primarily and essentially a war plant, and, therefore, if the Government of the United States operates that war plant and incidentally disposes of the surplus power, whether for fertilizer purposes or for current and light purposes, the question of Government operation is not involved. It is a mere incident to the real purpose, which is that of a war plant. So I say there is no question of public ownership and operation involved. The Government already owns the plant. It is to operate it as a war plant. The operation for private purposes is merely an incident to its use as a war plant.

I might say in passing that it seems to me it comes with poor grace from those who voted for the Underwood bill, containing exactly the same principle and policy of Government operation, to talk about those of us who voted against it being in favor of public operation. The 18 Democrats who voted for the Underwood bill, each and every one, voted for public operation of the plant, if it is to be public operation. Those of us who voted against it voted against the principle of Government operation. But that is a mere incident.

Mr. President, Muscle Shoals is a war plant. It was authorized to be built by President Wilson out of a fund that was given him by the Congress. It was not authorized in the usual, ordinary way, and but for the war probably never would have been authorized. Now, after it was authorized for such a purpose and is about to be completed, the Underwood bill, in the alternative, would take it out of the hands of the Government, put it in the hands of private lessees, to be operated—mark you, it is not to be operated for the benefit of the Government, because if the Government ever wants to use it for war purposes under the Underwood bill it has to condemn and take it over—but what it means is that for a small rental the Government turns it over to a lessee to be operated not for any Government purpose but for the private purposes of such lessee. The Government needs this great power plant it has built entirely out of Government money, for war purposes first, for purposes of navigation second, and incidentally only is it to be used for peace purposes. We say the Government ought to

keep it and that the use of the power for the purpose of manufacturing fertilizers and the use of the power for sale to private consumers is incidental to its first and great use in war purposes. There is no possible question of Government ownership and operation of a private utility.

Mr. President, I have never believed, and do not now believe, in what is commonly known as Government ownership and operation of public utilities, but I do recognize the fact that there are exceptional cases in which it is wisest for the Government to conduct its own business. Such cases as have met my approval and such cases as have met the approval of the Congress—the Panama Canal act, the farm loan act, the parcel post act—all of those acts provided for Government operation of public utilities. All of those acts in a way invaded private business, and yet those acts received almost unanimous approval of Congress. Any of these acts go further along the line of Government operation than does this act, unless it be the Panama act.

There is no use in attempting to becloud the issue. It is a plain matter of business as to what is best to do with this property. It is best for the Government, best for the people, best for the safety of this Republic.

I come now to the bill of the Senator from Alabama, and I want to dissect it for a few minutes, because I believe that if Senators put their minds upon the actual provisions of the bill none of them can give their consent to vote for it. I start with the first section, which dedicates this great plant, these great properties at Muscle Shoals, to what purpose? They—

are hereby dedicated and set apart for the use for national defense in time of war and for the production of fertilizer and other useful products in time of peace.

Why that dedication? The Government has already built it for the purpose of war. How can it be rededicated to that purpose and what would be the sense of rededicating it to the purpose of war? The bill does the very opposite of dedicating the plant to war purposes. Instead of dedicating the plant to war purposes it takes it out of the hands of the Government for war purposes and dedicates it to private uses if a lessee obtains it. Here is a supposed statement of fact in the first section of the bill that is not a fact at all. It is far from the fact. It says that it dedicates this great plant to war purposes when as a matter of fact it is dedicated to private uses under conditions which I shall discuss in a few moments and which seem to me to be indefensible. I say, therefore, that section 1 is a misrepresentation of the actual facts. While pretending to be a dedication of the plant to war purposes, it is taking away from the people of the United States this great war asset which it has been determined all along should be used for war purposes.

Then comes section 2 which provides that whenever it is needed for war purposes it shall be taken over by the Government. Senators, we are spending \$140,000,000 on this plant for war purposes. Then we are turning it over to a private individual for private purposes, and it is said that we can take it over in time of war if we desire. So the Government can take over any property in time of war if the Government desires. The bill confers no new right upon the Government. Indeed, Senators, if the Underwood bill passes, we take this plant on which the Government has spent \$140,000,000 for war purposes and turn it over to a private corporation with the statement to the Government, "If you ever need it for war purposes you are at liberty to condemn it and pay the price that might be necessary to be paid for it." So it is conclusively shown, it seems to me, that instead of being dedicated for war purposes as provided in the bill it is dedicated to private purposes as declared in the second section of the bill and the only way the Government can get it for war purposes is to pay for it like it would pay for any other private citizen's property. In other words, Mr. President, if we get into another war, the Government will have to take over this property at its own expense just as if it had not built it. That alone should condemn this bill. Why, Mr. President, the idea of sane men, after having authorized the expenditure of perhaps \$140,000,000 for this plant to be used primarily in time of war, that we should now transfer it to a private corporation to be taken away from that private corporation at the Government's expense in time of war, is such a monstrous proposition that I do not see how any Senator can vote for it. Why should we go to this enormous expense, and then have to pay for it all over again, to some private lessee who gets the property for a song? Ah, but that is not all, Mr. President. It has been stated here time and again that this plant and Chile are our only sources of supply of nitrogen. That is true, and we have been told about the dangers of being de-

pendent upon Chile and there is danger there, too. But if this plant goes into the hands of a foreign corporation controlled by aliens, as I believe it will, how much more are we not justified in passing this bill?

It is said that the Government may if it so desires let the company proceed to manufacture nitrogen for war purposes to the extent of 40,000 tons a year. So it can. But the Government will pay for that nitrogen just like it pays for any other nitrogen. There is no fixing of the price which the Government is to pay. No advantage comes to the Government from buying it from this company rather than from some other company. There is not a suggestion that the Government should get this nitrogen any cheaper in time of war. Indeed, as we all know, the Government will have to pay the very highest price in the event of war for the nitrogen that is manufactured there; and not only that, but remember if the Government takes it over it will have to pay the actual value. That value will not be ascertained by the Senate as the Senate is undertaking to fix the rental value now, but the company will have its trained lawyers and, if it is necessary, will go into the courts to determine at just what value it shall be taken over. I say to Senators that if the bill passes with that provision in it and if the Government ever uses this plant for war purposes, it will pay a great deal more for one year's use of the plant than the entire plant has cost the Government up to this time.

Mr. HEFLIN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. Yes; I yield.

Mr. HEFLIN. How does the Senator reach any such conclusion as that which he has just stated to the Senate?

Mr. McKELLAR. I reach it from the plain wording of the bill. It is undertaken to make a private property out of the plant. The lessee has a private right in it, and when the Government takes it over, of course the Government will have to pay for it. It is not provided what the Government shall pay. It is not even said that the Government shall pay a reasonable price for it. The implication is that the Government will pay a war price for it, and I have no doubt a war price will be paid for it if it is taken over. If there was nothing else in the bill than that provision or those two sections, the bill ought not to be agreed to. No Senator, in my judgment, can afford to vote for a bill that will solemnly state in its first section that this great property is dedicated to Government uses in time war and in the second section blandly take it out of the Government use and put it into private hands, and then say that the Government can get it by paying the full price for it, or if it sees fit to elect to let the company go on and manufacture nitrates for war purposes, it must pay the full value of the nitrates so manufactured.

There is no protection to the Government in either one of these sections. It is nothing in the world, Senators, but an absolute taking of the public property and bestowing it upon a lessee without adequate compensation. That is what these two sections mean. It means a gift worth probably hundreds of millions to a favored lessee.

Then I come to sections 3 and 4, and I wish to take those two sections together. Senators will recall those sections. While 40,000 tons of fixed nitrogen are to be manufactured in time of war for war purposes and are to be manufactured in time of peace for fertilizer purposes, those very two statements are contradictory; indeed, the two sections are contradictory. Suppose the Government should want nitrogen in time of peace, does anyone mean to say it should not get it? We use enormous supplies of nitrogen in time of peace.

Mr. SIMMONS. Before the Senator from Tennessee leaves the suggestion with reference to the requirements of the Government in time of war—

Mr. McKELLAR. I yield to the Senator from North Carolina.

Mr. SIMMONS. I desire to ask, is the Senator in possession of any information or does the testimony which was taken in the hearings disclose any facts which support the idea that 40,000 tons of nitrogen would be anything like adequate to the requirements of the Government in time of war, and especially a war such as that through which we have just passed?

Mr. McKELLAR. Oh, no; it would not be. It would be quite an element in the supply, but it would not be an adequate supply. Indeed, I want to say to the Senator that while the Underwood amendment starts out with the very gracious statement that the plant at Muscle Shoals is dedicated to the use of the public in time of war, after those meaningless words are uttered no other attempt is made in the amendment to protect the rights of the Government in time of war—none whatever.

Mr. SIMMONS. I appreciate the argument just made by the Senator that the Government would have under its general powers the same right to possess itself of the Muscle Shoals property as it would have to appropriate any other water-power property for the purpose of manufacturing nitrogen for war purposes.

Mr. McKELLAR. Absolutely; just the same as if the provision were not written in the measure at all.

Mr. SIMMONS. The only difference that I can see in that respect between this property and any other like property is to the extent of the 40,000 tons of nitrogen to be manufactured there would be a stand-by plant capable of producing that amount of nitrogen.

Mr. McKELLAR. That is true.

Mr. SIMMONS. But to the extent that the Government's requirements might exceed that 40,000 tons there would be absolutely no difference. No provision is made to meet further of requirements in excess of that quantity in order to meet national emergencies.

Mr. McKELLAR. No such provision at all is made. We should have to depend upon the nitrate fields of Chile then just as we now do. Of course, 40,000 tons of nitrogen would not be sufficient in time of war. We used very much more than that in the last war. My recollection is, that we used about that much in a very few days in the last war, during a portion of the time at any rate.

Mr. President, so far as sections 3 and 4 are concerned, they are contradictory provisions. Section 3 provides that at the end of the fifth year 40,000 tons of fixed nitrogen shall be produced annually for war purposes. Section 4 provides that the same amount is to be produced for peace purposes. Who is to decide when the nitrogen is to be used for war purposes and when it is to be used for peace purposes? We use an enormous amount of nitrogen in the manufacture of explosives in peace time. Who is to say what shall be used for peace purposes and what shall be used for war purposes, and who is to say at what price the nitrogen is to be sold to the Government?

Why, Mr. President, if a war takes place, and this plant is used by the lessee for the purpose of furnishing nitrogen to the Government, it will have the right, under this bill to charge the Government what it will for nitrogen. If the lessee holds the plant and manufactures the nitrogen, it can sell it to the Government at such a price as may almost bankrupt the Government. If the Government takes it over, under section 2 of the act, then it will have the right to mulct the Government under the laws of eminent domain for virtually what it will. Oh, Mr. President, these acts take the plant out of the hands of the Government and puts it in the hands of private interests, and in so far as war purposes are concerned, this plant will be almost, if not absolutely, valueless in war purposes. The money that has been spent on it will have been wasted by the Government for war purposes.

And then it provides and much stress is laid upon these sections 3 and 4 about the mandatory provision for the manufacture of nitrates. Why, Mr. President, if this company does not want to manufacture nitrates, how easy it will be for them not to do it. It can be argued that the two provisions, one offsets the other. It can be argued that it is impossible to manufacture but 40,000 tons of nitrogen at this plant, that it was intended only to manufacture that at this plant. Somebody may sue out an injunction, as it was shown by the Senator from New York Saturday, against the use of the process they have for making nitrogen at this plant, and therefore the contract may be avoided and eluded. But you will say that they will live up to it. How do we know? If we take the Alabama Power Co.'s past experience, we know they are not going to live up to it. They had a bill passed in the Congress of the United States in 1912 when the same theory that this bill has was put forward, namely, that they were going to manufacture fertilizer on the Coosa River, at Dam No. 18. It was said then that these people had gone to the General Electric Co. in New York to get money to build this plant and could not do it and then had gone to British and Canadian people, and the British and Canadian people had given them the money to build the Coosa Dam, and that they had entered a partnership with the Cyanamide Co. of America to manufacture fertilizer, and that they were not going to use it for power purposes, but for fertilizers for the farmers of the country and the South; but they have never manufactured an ounce of fertilizer. They have the dams, they have the plant yet; but they have never manufactured an ounce of fertilizer and will not do so. And if they get this plant they are not going to manufacture fertilizer for the farmers of the country and the South. It is idle to talk about it.

Mr. SIMMONS. Mr. President, will the Senator pardon me another interruption?

Mr. McKELLAR. I yield to the Senator from North Carolina.

Mr. SIMMONS. I suppose the Senator's argument leads to this, that if we are to part with this property, relying upon our right to take it over in time of war, we certainly ought to see that there is a stand-by plant capable of producing the reasonable requirements of the Government.

Mr. McKELLAR. Certainly, Mr. President, the Senator from North Carolina is exactly right. I should have reached that part of my argument a little later on, but I will refer to it now.

The Senator from Alabama [Mr. UNDERWOOD] admitted that this was a very inadequate consideration for the plant, but the reason for the inadequacy of the consideration was lessee's agreement to manufacture fertilizer. Surely there ought to have been a provision inserted to protect the Government. Surely, if we turn over this great plant to any lessee we ought to provide that in the event of war the Government shall have the right to take it over without any further cost to the Government in order to manufacture nitrogen, not only 40,000 tons of nitrogen, but to manufacture as much as may be necessary or as much as it might be able to manufacture at the plant, and the Government should be able to do that without compensation.

Mr. President, as I have just shown, unless some such provision shall be contained in this legislation one year's use or, it may be, for six months' use of the plant in time of war will probably cost the Government more than the entire cost of the plant. The entire rental for 50 years will only be about \$80,000,000, and, under the terms of this amendment, it may cost twice as much as the entire rental, or it might cost as much as the entire rental and the entire cost of the plant, if the Government should recapture the property and retain it for a year.

The rental on the plant, while it is in the Government's possession, will cost our Government more than the plant itself. How in the name of heaven any Senator can vote for a bill which provides that, after it has spent this vast sum that has been spent in the building of this plant and turn it over to a private lessee at \$1,832,000 a year, and then if it is necessary to be taken back in war time to pay for it just like the Government would have to pay for any other property—how any Senator can vote for a bill of this sort in the light of these facts is incomprehensible to me.

Why, Mr. President, under any circumstances, there should be in this bill a provision that the Government does not have to pay to the lessee any sum whatsoever when it is taken over and used in the event of war. We know what the war profiteers did to the Government a few short years ago, and we know in our own hearts just what this corporation will do in the event of another war. It will hold the Government up for every dollar that is possible for it to be held up for; so that, Mr. President, I say that with this section in this bill no Senator should vote for it. And you will note, Mr. President, how carefully no law is changed by this section. It provides: "The foregoing clauses shall not be construed as modified, amended, or repealed by any of the subsequent sections or paragraphs of this act, or by indirection of any other act."

So, Mr. President, representing the Government as we do—and the Members of the Senate are here looking after the interests of the Government as well as of the people; we are the trustees of the Government—surely we ought to see that the Government is protected before we vote for any such unconscionable legislation as this, which will take this property which is already dedicated to the public use in time of war and turn it over to a private corporation with the statement that if the Government needs it it can condemn it and pay for it just as it may condemn the property of any citizen. It may be that we shall have to take it away from an alien-controlled corporation, for the Alabama Power Co., if it shall get the property, as I believe it will get it, has been up to a very short time ago and probably now is an alien-controlled corporation.

Mr. SIMMONS. Mr. President—

Mr. McKELLAR. I yield to the Senator from North Carolina.

Mr. SIMMONS. Mr. President, I wish to inquire of the Senator from Tennessee, who has from the beginning been very much interested in and very diligent in investigating all phases of this very important matter which we now have under consideration, whether he knows of any other plant in

the United States to-day which is manufacturing or is prepared to manufacture nitrogen from the atmosphere?

Mr. McKELLAR. I do not. Certainly, there is none that manufactures it to any considerable extent.

Mr. SIMMONS. And we have no natural deposits of nitrogen such as are found in Chile?

Mr. McKELLAR. And no other factory where it may be produced.

Mr. SIMMONS. We have no factory in this country equipped to produce it from the atmosphere, and the result will be in case of war, if the ports of Chile should be blockaded by an enemy, this Government will be absolutely powerless to secure this essential element of conducting a war and of defending the Government against invasion.

Mr. McKELLAR. Absolutely. I will say to the Senator that the parallel proposition that finds most force with me in reference to this matter is the building of the Panama Canal. The Government built that canal primarily for war purposes and spent \$400,000,000 on it, but it is essentially a defensive measure for the Government.

After we had finished that canal, suppose a bill had been introduced here providing that, inasmuch as we did not wish to interfere with private shipping and the business of shipping, we would lease that great plant, the Panama Canal, to be run by a private corporation, which would collect the tolls on the ships passing through it; and suppose it had been contended that the public defense was a matter of no importance in its relation to the canal, for the Government could take it over at any time. That could have been argued just as it is being argued in this case; and, furthermore, it might have been said that nobody is likely to attack us, and if they should our ships would be able to run around the Horn and get to the Pacific Ocean, or vice versa; and so we ought not to enter upon the Government operation of shipping facilities at Panama. Such an argument could have been made with force equal to that of the argument which is made in this instance. Senators, the great plant at Muscle Shoals was organized for war purposes. We have got to have it for war purposes; it is absolutely essential, for if our line of communication were cut off with Chile we would be defenseless unless we had some such plant, and this country does not want to be put in that defenseless condition. Yet while putting in the first section of the Underwood substitute a solemn declaration that the plant is dedicated to war purposes, it is proposed to turn it over to a private corporation under the terms of the amendment and probably turn it over to an alien corporation. That is indefensible.

Mr. SIMMONS. Mr. President, will the Senator pardon me a further interruption?

Mr. McKELLAR. I yield.

Mr. SIMMONS. The thought in my mind is that the Government should certainly retain this property until it has developed nitrogen-producing plants sufficient, in the judgment of the Secretary of War, we will say, to supply the reasonable requirements of the Government in case of war and then, if it should be deemed wise to lease it, that it would only lease it upon condition that the lessee would stipulate to extend the plant which the Government has already created there to the point where it would have a capacity equal to the requirements of the Government for purposes of war.

Mr. McKELLAR. Of course, the Senator is correct about that. The idea of building this great plant by this enormous expenditure of the people's money and then turning it over to a private corporation for exploitation purposes without any regulation, is, to my mind, such a preposterous and such an indefensible proposition that I can not understand how a Member of this body can vote for it. I am not criticizing my colleagues who are in favor of it, but I can not understand the reasoning under which they are willing to cast their votes to dispose of the Government's property, so useful and so necessary in time of war, for any such purpose.

Now, Mr. President, I come to the next proposition.

Mr. SIMMONS. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. SIMMONS. I am asking these questions because I regard this phase of the matter as the most essential that has been discussed at all.

Mr. McKELLAR. It is the most vital phase of the bill, in my judgment.

Mr. SIMMONS. It has been in my thought all the time. If during the war we had not been able to communicate with Chile and to secure from her our requirements while we were constructing this plant which we authorized what would have been our situation?

Mr. McKELLAR. It would have been intolerable and indefensible and might have caused us to lose the war. Do we want to put ourselves in that attitude again after spending this vast treasure, \$140,000,000, down there to build this great plant and to build the great dam there? Are we going to put ourselves in exactly the position in which we were prior to the war? Yet substantially we will be in that position if this bill shall pass. I do not see how any man who loves his country and wants to defend her when she is attacked can be willing to put her in such a defenseless position as this bill will put her in if it shall be passed.

Mr. SIMMONS. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. SIMMONS. I wish to ask the Senator this question: If Germany had not many years ago, long before the war, begun to experiment with the production of nitrogen from the air, and if when the war came she had not developed her nitrogen production to the point where it was developed, would not Germany have been in a very precarious condition by reason of the action of the Allies in cutting her off from Chile? And was it not because Germany had provided against this very contingency about which we are now talking that saved her from collapse in the war long before the termination of the struggle?

Mr. McKELLAR. I apprehend that to be the fact; and I will say to the Senator that so far as this bill, known as the Underwood bill, is concerned, not an experiment is required to be made. We do not know where we are going. They are not going to take steps to ascertain about the manufacture of nitrogen by a cheaper or a better method. We know nothing about that. We turn it all over. We will just say, for the sake of the argument, that we have turned it all over to the Alabama Power Co., if it should be the lessee, and it will determine whether or not, in the interest of all the people, these experiments will be conducted and better and cheaper methods of producing nitrates are to be found.

That is why that provision in the Norris bill is so important. It provides for the selection of great chemists to build up an organization to ascertain what will protect this country by the manufacture of nitrogen in time of war. This vital necessity to the manufacture of explosives, the production of the materials out of which explosives can be manufactured, is of the prime importance for this country in any war, and we should not take out of the Government's hands this great instrumentality by which it may be done.

Mr. SIMMONS. Mr. President—

Mr. McKELLAR. I yield to the Senator from North Carolina.

Mr. SIMMONS. The Senator from Alabama, in his argument, seemed at least to concede the fact that in all probability whoever might lease this plant would not find themselves able to produce nitrogen profitably; and because of an apprehension that there would be a loss in the production of nitrogen he stated, as I understood him, that he had made the return to the Government upon its expenditure of \$45,000,000 or \$150,000,000, as the case may be, very small, probably inadequate, in order to recoup themselves in case they sustained a loss in operating the nitrogen plant.

Mr. McKELLAR. Yes.

Mr. SIMMONS. The bill of the Senator from Alabama requires the lessee to produce only 40,000 tons annually. Does the Senator from Tennessee believe that a lessee would be likely to produce one pound more of that product than the amount required in the bill if it should find itself unable to produce it at a profit?

Mr. McKELLAR. Mr. President, judging the future by the past, if this great Power Trust in Alabama gets charge of this plant I do not believe that it will produce any nitrogen at all; and I want to give you my authority for that conclusion.

In 1912, when I first came to Congress, to the House of Representatives, there was a bill before the Congress known as the Coosa Dam bill. It had for its purpose giving permission to the Alabama Power Co.—this same company—to erect Dam No. 18 on the Coosa River; and the Senator from Alabama [Mr. UNDERWOOD], then a Congressman, had this to say. I quote the words from page 11586 of the RECORD of 1912:

Now, what they propose to do is to spend \$1,600,000 to help make this river navigable and allow the Government to use all the water it needs for navigable purposes, and then take the balance of the power created, not for the purpose of selling electricity for light or heat but for the purpose of manufacturing cyanamide, or lime nitrogen, and fertilizer for the benefit of the farmers of Alabama and of the South.

This company operates that plant to-day. I have been reliably informed that never has it produced an ounce of nitrogen for the farmers of Alabama and of the South. So, if we judge the future by the past, with the conflicting sections about the manufacture of nitrogen contained in this bill, and the possibility that the same cyanamide company that is referred to here will sue out an injunction against the use of its machinery, I do not believe that the lessee will produce a pound of nitrogen.

Mr. HEFLIN. Mr. President—

Mr. McKELLAR. I yield to the Senator from Alabama.

Mr. HEFLIN. For the second time I desire to correct my friend, the Senator from Tennessee. The Alabama Power Co. never has made any effort or contracted to make fertilizer at Lock 12 on the Coosa River.

Mr. McKELLAR. Lock 18.

Mr. HEFLIN. It never intended to do so. It never was involved at all in the legislation of which the Senator speaks. It was my bill that passed through the House at that time. It was the American Cyanamid Co. that was going to make fertilizer at this dam if President Taft had not vetoed my bill. When President Taft vetoed my bill the American Cyanamid Co., which was going to set up business at Montgomery, Ala., went over into Canada. It is now making cyanamide in Canada, and selling it at a profit to the farmers of the United States; so, by the President's veto, this industry was driven out of Alabama, out of the South, out of the United States, and over into Canada.

If my friend from Tennessee finds any consolation in a thing of that kind, he is welcome to have it. I simply wanted to correct him. My colleague [Mr. UNDERWOOD] was speaking of the American Cyanamid Co., and not of the Alabama Power Co. I want to repeat that the Alabama Power Co. was never involved in any way in that transaction.

Mr. McKELLAR. Mr. President, fortunately we have a RECORD, and the RECORD is better than the memory of any of us. My distinguished and very greatly beloved friend is simply mistaken, and he is mistaken for the second time, and I think the RECORD shows it.

This Coosa Dam bill was a bill to permit the Alabama Power Co.—not the Cyanamid Co.—to dam the Coosa River in the Senator's State. That was the bill which the junior Senator from Alabama favored and which the senior Senator from Alabama favored. They were both in the House at the time. That was the bill that was passed, and here is a letter that shows quite the contrary of what the Senator says. It shows that the Alabama Power Co. had entered into some sort of agreement with the Cyanamid Co. Of course the agreement was merely for legislative purposes. The Alabama Power Co. wanted the power, and it was thought that the Senator from Alabama was a great friend of the farmer, and the way to get him to favor the bill was to raise a big hue and cry about the manufacture of nitrogen for the farmers of Alabama, and the bill could be passed in that way, and was passed in that way. I now read a letter which gives the inside history of it.

I read from page 11591 of the RECORD of August 22, 1912: That was when the bill was before the House, the very day it was before the House; and here was an officer of the Alabama Power Co. writing to the distinguished Senator from Alabama [Mr. HEFLIN], who was then a Representative:

WASHINGTON, D. C., August 22, 1912.

HON. J. THOMAS HEFLIN,

House of Representatives, Washington, D. C.

DEAR MR. HEFLIN: Referring to the questions you asked me in person regarding the Alabama Power Co., its purposes and intentions, on the Coosa River, in Alabama, I beg to say:

The Alabama Power Co. was organized under the laws of the State of Alabama by a few Alabama friends and myself as a part of our well-known efforts, covering a period of almost a quarter of a century, for the improvement of the Coosa River. After a long and tiresome undertaking we not only succeeded in interesting some splendid capital in the development of power on the Coosa River at Lock 12 but we also succeeded in interesting the American Cyanamid Co.—

The Alabama Power Co., now, interested the American Cyanamid Co.—

in locating a large plant on the Coosa River, in Alabama—

Where, oh where, is that plant? They said: "We have induced them to locate it." It never has been located—

for the manufacture of an air-nitrate fertilizer, known as calcium cyanamide, the particulars of all of which are set out very fully in a letter by Mr. J. W. Worthington, of date July 3, 1912, attached to

the report of the Senate Committee on Commerce on Senate bill 7343, and to which I beg to call your especial attention.

The Alabama Power Co. owns the power development at Lock 12, on the Coosa River, Ala., and is now at work building its dam for the development of power at this place, and for which we obtained the consent of Congress several years ago.

By the way, they have a perpetual right to it—not 50 years—but a perpetual right to it.

Mr. HEFLIN. Just as Mr. Mellon has on the Little Tennessee River in the Senator's State.

Mr. McKELLAR. Probably.

The power plant at Lock 12 will develop when complete 10,000 continuous 24-hour horsepower.

Here is where the Senator is wrong. Listen to what it does. He said the Alabama Power Co. was not connected with it, but that it was the Cyanamid Co. Listen to this letter:

The Alabama Power Co. made a contract with the American Cyanamid Co. for 14,000 24-hour horsepower, to be used for the manufacture of the nitrate fertilizers; therefore the development of power at Lock 12 will be insufficient to supply the needs and demands of the Cyanamid Co., to say nothing of the power that may be desired for other purposes, hence it is that the Alabama Power Co. is now asking a grant for the privilege of building a dam at Lock 18 on said river.

The Alabama Power Co. is asking for it, not the American Cyanamid Co. The American Cyanamid Co. never built a plant there. This letter was not true. It did not state the facts. The Cyanamid Co. never did build a plant there, and has not done so to this day, and there never has been an ounce of fertilizer produced at that plant. This is very interesting. It is an interesting piece of history of our lessee.

In our efforts to finance the Alabama Power Co. we tried for quite a while to raise the money with which to make the development at Lock 12 in this country, but were unable to do so. We then took the matter up with foreign capitalists, and finally succeeded in interesting English and Canadian capital in the undertaking. Before going into this undertaking, however, these people examined the laws of this country bearing on the subject, both State and United States laws, and the money was raised with expectation of being governed by the general dam laws of the United States as they now stand; hence any amendments to the bill from the way it passed the Senate would probably be fatal, and I trust that Congress pass Senate bill 7343 just as the same is now pending.

This, with other matters which need not be referred to; the letter is signed by W. P. Ray.

I will stop long enough in the reading of that letter to say that the trouble was caused by my esteemed friend, Ben G. Humphreys, of Mississippi, who offered an amendment, and a very proper amendment, for the United States to have control of the rates; and it was voted down on the ground that it would lose to Alabama and the farmers of Alabama and the South this great fertilizer plant.

How similar to the arguments that have been made in behalf of the fertilizer part of the Underwood bill in this controversy. I continue reading:

Kindly bear in mind this is not a promoting or speculating scheme; we have the money, and are now at work at Lock 12, and if the bill passes granting the Alabama Power Co. the right—

Not the American Cyanamid Co., as the Senator has suggested, but the Alabama Power Co.—

the right to build a dam at Lock 18 work will be commenced at this development within 60 days. Work will also be commenced in due time on the Cyanamid Co.'s plant, as the money is all ready now for its construction.

That was an effort to get a bill passed through Congress by a misstatement of facts, telling the Congress that they had the money to build the cyanamide plant for the benefit of the farmers. At that time I had just come to the House, a youngster, wholly unfamiliar with the methods employed in enacting legislation—a Democrat, trying to follow my leaders. The Democratic leader in the House was urging this bill, and I voted with him. I voted wrong about it; I frankly admit that.

I made a mistake—a mistake I am not going to make again. A man may make a mistake on a subject once, and that is enough. It is not excusable for him to make a mistake twice on the same matter.

Mr. NORRIS. Mr. President, may I ask the Senator who the Democratic leader in the House was at that time?

Mr. McKELLAR. The Senator from Alabama [Mr. Underwood] was the Democratic leader of the House at that time. So can I be blamed for having my doubts as to whether they

are going to make any fertilizer at all under the conflicting provisions of sections 3 and 4 of this bill? Who knows but what the same cyanamide company which helped the Alabama Power Co. through that perilous time and got that power for them would not be willing to file an injunction suit and keep their friend and former associate, whom they had helped out before, from having to carry out the fertilizer contract? Can you afford to risk that, Senators, in the light of this history?

My good friend over there, for whom I have not only the greatest respect and admiration but for whom I have the greatest personal esteem and the warmest regard, was misled, just as I was. He made one of the finest of speeches in favor of it. I wish I had time to quote from it. He told some splendid stories on Ben Humphreys and Swager Sherley and the distinguished Democrat from Illinois [Mr. RAINES]. He had the House just roaring, and he told the House then, just as he has been telling the Senate now, the unparalleled advantages that were coming to the farmers of Alabama and the rest of the South just as soon as this cyanamide company got to manufacturing nitrates there for the farmers. That has been more than 12 years ago, and so far not an ounce of cyanamide has ever been manufactured there. I am not a prophet, but I venture the prediction that if the Underwood bill passes the Senate and becomes a law 12 years from now some man standing on this floor will repeat what was said 12 years ago and what is being said here now and will assert that not an ounce of nitrates has ever been manufactured by the Alabama Power Co., if it gets this property.

Mr. RANDELL and Mr. SIMMONS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield; and if so, to whom?

Mr. McKELLAR. I will yield first to the Senator from Louisiana and then to the Senator from North Carolina.

Mr. RANDELL. I would like to ask the Senator whether in his opinion, even if the lessee under the proposed Underwood bill should manufacture every year the 40,000 tons of atmospheric nitrogen which he claims will be manufactured, the benefits derived therefrom would be comparable with those which in all probability would result from the wonderful researches provided by the Norris bill, those researches which we have every reason to believe will result in cheaper and better methods of manufacturing fertilizer from the air than we are now aware of. Which would benefit the people of the United States most, in the opinion of the Senator?

Mr. McKELLAR. Mr. President, there can be no possible difference of opinion about the value of the experimentation provided for in the Norris bill; and the Senator from Nebraska has accepted an amendment offered by me but prepared by a number of Senators on this side. I think most of us who feel as I feel about it, as the Senator from Louisiana [Mr. RANDELL] and the Senator from North Carolina [Mr. SIMMONS] feel about it, got together in preparing that amendment. The Government will manufacture just as much nitrogen as this lessee would be required to manufacture.

Mr. SIMMONS. And more.

Mr. McKELLAR. Yes; even more. There can not be any doubt about that. Not only that, but this corporation would be permitted to manufacture it at 8 per cent profit on the turnover, which may mean 200 per cent profit on the money invested in this plant, whereas under the Norris bill, if fertilizer shall be manufactured, it will have to be sold to the farmers at not exceeding 1 per cent above the cost of production. So if we look at it from a farmer's standpoint, there is no comparison between the two bills as they are now. It would be infinitely better to accept that provision for such wonderful research and experimentation as is provided for with such accuracy and such clearness in the Norris bill, and then the practical demonstration of what can be done as provided in the amendment that was offered by me.

Mr. RANDELL. Is there any research provided for in the Underwood bill?

Mr. McKELLAR. None whatever.

Mr. RANDELL. There is no encouragement given to research, is there?

Mr. McKELLAR. None whatever. How could any man who is a friend of the farmer for a moment accept the Underwood proposal over the Norris proposal as amended? I am frank enough to say that I can not understand how any friend of the farmer could accept the Underwood proposal over the Norris proposal as amended.

Mr. SIMMONS and Mr. HEFLIN addressed the Chair.

Mr. McKELLAR. I now yield to the Senator from North Carolina.

Mr. SIMMONS. Mr. President, a few moments ago the Senator from Alabama, when he interrupted the Senator from

Tennessee, said something about his bill being vetoed by President Taft.

Mr. McKELLAR. That was true.

Mr. SIMMONS. Was that particular bill vetoed?

Mr. McKELLAR. I have not had time to examine into it, but my recollection is that President Taft vetoed it, but later on the Alabama Power Co. got the right to build a dam at Lock 18, and did build it and is still operating it.

Mr. HEFLIN. It got it under the water power act.

Mr. McKELLAR. Under the water power act, and got it fairly forever.

Mr. SIMMONS. Did the second act embrace any provision with reference to the manufacture of fertilizer?

Mr. McKELLAR. No.

Mr. SIMMONS. The Senator from Alabama said that by reason of that veto the American Cyanamid Co.—

Mr. McKELLAR. A foreign corporation.

Mr. SIMMONS. Instead of manufacturing this material in this country had been manufacturing it abroad. I assume that he meant that they were manufacturing it abroad instead of in this country because in this country the Government, through its agencies, regulates the price at which that product can be sold. But if it is manufactured just across the border, and we do not manufacture it in this country at all, we are in the same position with reference to that supply of nitrogen that we are in to-day with reference to the Chilean supply of nitrogen.

Mr. McKELLAR. Certainly. Now I yield to the Senator from Alabama.

Mr. HEFLIN. Mr. President, I was in error in stating that the Alabama Power Co. had had nothing to do with this proposition. But the Senator from Tennessee does not seem to understand very well the letter he has read.

Mr. McKELLAR. I will put it in the Record, so that other people can understand it accurately. Failure to understand is possibly due to some shortcoming or inability on my part.

Mr. HEFLIN. The American Cyanamid Co. was to manufacture cyanamide at this dam on the Coosa River, Lock 18, I believe. They had already gone to Montgomery and had made arrangements for renting offices in a building for headquarters. That was to be the headquarters of the American Cyanamid Co., and it was that company that was going to use this power to make fertilizer, and not the Alabama Power Co. The Alabama Power Co. did not bind itself to make any fertilizer or anything else, but the American Cyanamid Co. was the company that was going to do that. The Senator from Tennessee says they have not made any there, and he does not think they will make any in the future. When the bill under which they were to make it was vetoed by President Taft, and thus did not become a law, of course, they could not make it, because there was no provision for making it. When the bill was vetoed, instead of setting up business at Montgomery, Ala., and manufacturing cyanamide at Lock 18, they went out of the country into Canada, where they are now making fertilizer and selling it at a profit to the farmers of the United States. I simply make that further comment to show that they have already made cyanamide at Muscle Shoals at plant No. 2. It is not an experiment. I have seen the cyanamide made there.

Mr. McKELLAR. I yielded to the Senator to ask a question, not to make a speech. I hope the Senator will not undertake to make a speech on the general question.

Mr. HEFLIN. I shall not, because I intend to make one when the Senator gets through.

Mr. McKELLAR. Of course, that will be proper. The Senator is entirely mistaken about his facts again. This letter which I have read says that the Alabama Power Co. already has entered into a contract with the American Cyanamid Co. to furnish it the necessary power. It had agreed to furnish 14,000 horsepower, and it did not have 10,000 horsepower, and it was appealing to Congress to pass this second bill, giving it this second dam site for the purpose of enabling it to carry out its contract.

Mr. HEFLIN. Precisely, for the American Cyanamid Co.

Mr. McKELLAR. The American Cyanamid Co., so far as the bill to which I referred is concerned, is not mentioned in the bill, except incidentally. The bill is not a bill for the benefit of the American Cyanamid Co., but a bill for the benefit of the Alabama Power Co. I read from the Record—

Mr. SIMMONS. Before the Senator reads, if the Alabama Power Co. acquired the rights it was seeking, was there anything in the way of the Alabama Power Co. contracting with

the American Cyanamid Co. to manufacture cyanamide in this country?

Mr. McKELLAR. Not a thing. It was a subterfuge, then, absolutely. The Alabama Power Co. never had any idea of manufacturing fertilizers for the farmers. They had not the slightest idea then, and in my judgment have no more idea now of manufacturing fertilizer for the farmers than they had then. Congressman RAINEY had this to say about it:

This bill seeks to give to the Alabama Power Co. the right to construct these dams. The Alabama Power Co. is an Alabama corporation, but its stock is owned—all of it except just enough, perhaps, to give it a status in Alabama, two or three shares—by the Alabama Traction, Light & Power Co. (Ltd.). This is a Canadian company, organized on the 5th day of January of this year under the laws of the Dominion of Canada.

And that company will no doubt have one of its subsidiaries bid on this plant, of course. But the underlying ownership will be with the Alabama Power Co.

Mr. President, now I come to the question of the profits on fertilizer, to which I referred just a few moments ago. The bill provides that profits shall not exceed 8 per cent on the cost of production. Eight per cent on the cost of production is no limitation upon the profits of this company. It would be just as good if there were no limitation at all.

This company could make 200 per cent or even 300 per cent or even 500 per cent. It is possible for it to make that much on the amount of money invested and still not receive over 8 per cent above the cost of production. That provision in itself is no protection to the farmer, no protection to the public, and no one ought to be deluded by it. It is a meaningless statement meant for the purpose of catching votes—I do not mean anything improper in that—to give the bill a show of fairness. It is not of any real effect, whatever its purpose.

Now I come to the consideration involved. This plant cost the Government of the United States \$140,000,000. As I pointed out two or three weeks ago, there is down there now some \$40,000,000 worth of property. We own 2,800 acres of land. We own more than 300 houses. We own two towns there. We own railway tracks and railway cars. We own building material running into the millions of dollars' worth, all kinds of materials. I mention particularly the steam plant, and all of the machinery in connection with the steam plant, and the cyanamide plant. There is property probably worth \$40,000,000 which is just thrown in as lagniappe, with no consideration for it at all. The Government is to-day getting \$200,000 a year for the steam plant alone, but in this arrangement it is dropped in the hopper and turned over to the lessee. How can we defend that proposition? How can a Senator defend his vote in turning over this vast property to a lessee under those circumstances?

In 50 years none of the property except the land, and possibly Dam No. 2 will be of any value. There is no requirement as to replacement, none whatsoever. All of the property will be worn out, the houses will be gone, the great steam plant will be gone, the cyanamide plant will be gone, and there is no provision for their replacement. We are just giving to this company property that is worth something like \$40,000,000 without any requirement for replacing.

What else are we doing? We are requiring them to pay rent at 4 per cent on the cost of the dam. I remember when on the floor of the Senate the senior Senator from Utah [Mr. Smoot] made the statement that this property was not worth anything, that he was not willing to appropriate another dollar to complete it because when it was completed it would be a liability instead of an asset. He was not willing to spend on it any more of the Government's money. By the way, the bill failed that year and the work on the plant was stopped because of that sentiment. Then Henry Ford came along and offered quite a large sum for it and various other companies bid. Even the Alabama Power Co. put in a bid that was infinitely better than the proposal now made by the bill of the Senator from Alabama. They offered to make 50,000 tons of nitrates a year and offered to create a large sinking fund for replacement, to make all replacements, and to restore the property at the end of the term in the same condition as that in which they took it over. But all of that is left out of the bill. None of those requirements are retained in the bill. The plant is to be obtained for \$1,832,000 a year rental, an unconscionably and indefensibly small compensation for this great property.

What Senator knows the value of the property? I stop here long enough to ask any Senator on either side of the Chamber

if he thinks he is capable of fixing a rental price on the property? Why have we undertaken to fix it at all? Why do we put it in the bill? We do not know what its rental value is. Why do we undertake to do it without any examination? Expert engineers ought to be consulted before any such inadequate compensation is fixed. The moment that Dam No. 2 is yoked up the property will be worth \$100,000,000. That is a mere idea of mine. It may be worth \$200,000,000 or even \$300,000,000. The power alone may produce a return on a valuation of something like \$300,000,000. Who knows? Yet we are taking \$140,000,000 of the people's money and turning it over to a private lessee for a return of \$1,832,000 a year, which will not be enough to pay for repairs, which will not be enough to pay for replacement. If we spent for replacements every dollar of the compensation we get every year for the 50 years it would not take care of the replacements, so I am reliably informed. The Government would be out money if it kept the plant in the same condition that it is in now, and yet we solemnly propose to pass this bill giving the property to a lessee for nothing—of course, that is virtually what it is—and the bill does not take into consideration the enormous amount of property of the value of \$40,000,000 that is down there now.

Mr. President, I can not understand, in the light of the indisputable facts, how any Senator can vote to turn over the property of the Government to a private corporation or whatever sort of corporation it may be.

I next come to the question of the regulation of rates. I called attention some time ago to the fact that the distinguished Senator from Alabama [Mr. UNDERWOOD], when he was a Member of the House, in discussing the question of rates, said it would be entirely proper to have regulation of rates provided the Government built the dam, but as the power company proposed to build that dam there was no reason for regulating the rates. That view was taken and the amendment then pending was voted down. But, Mr. President, notwithstanding the adoption of the Walsh amendment there is no national regulation of rates provided for in the bill. The Walsh amendment does not do it.

Do Senators know what the Walsh amendment does in substance and effect? All that the Walsh amendment does in substance and effect is to provide that in the event that Alabama and Tennessee and the other States near by have no utility commission to regulate rates, then there is to be a Federal Government regulation. All of those States have public utility commissions and therefore there will be no governmental regulation. The Walsh amendment is absolutely valueless to all intents and purposes. If any Senator is voting for the bill on the ground that the Walsh amendment takes care of the regulation of rates he had better look at the amendment again before he votes for it. It does not regulate rates, but they are left to the State public utility commissions.

Some days ago when discussing this matter I had something to say about the Alabama Utilities Commission. Of course I did not intend to reflect on those gentlemen personally or any of them. I do not know any of them. I expect they are all very excellent gentlemen. I do not know them, but I assume they are all well-meaning men. I have no doubt that they are, and I am willing to assume that they are. However, I have in my hand a defense made of that commission by the Alabama Age-Herald in its issue of December 21, 1924, which I am going to take the liberty of reading. The editorial is entitled "McKellar partly right," and reads as follows:

M'KELLAR PARTLY RIGHT

Senator McKellar's charge that the Alabama Public Service Commission grants unduly high rates to the Alabama Power Co. undoubtedly contains a germ of truth, but very improperly and unjustly places the blame upon the Alabama Commission. The people of Alabama remember how narrowly they escaped paying rates at least 30 per cent higher than those now prevailing.

I stop here long enough to say that in Cleveland, Ohio, a steam plant furnishes 40 kilowatts of electricity for \$1.20. The Alabama rate is \$3.06, about 250 per cent more than the steam plant rate in one of the large cities in Ohio. The Alabama Power Co. at the time was seeking to make them 30 per cent higher.

Mr. HEFLIN. How do those rates compare to the rates in Tennessee?

Mr. McKellar. They are about the same. The same interests virtually control in both States, and the rates are about the same. They at least have a community of interest. I believe they are a trifle higher in Tennessee, as I remember the figures.

The people of Alabama remember how narrowly they escaped paying rates at least 30 per cent higher than those now prevailing. The people remember how the power company almost succeeded in obtaining from the former State commission a much higher valuation based not on the items specifically required by law to form the basis of such valuations for rate-making purposes, but based on a purely nominal figure having no proportionate relation to such items. The company sought in every way to evade an examination of its books, and the valuation now existing was arrived at by a compromise rather than by exact calculation.

This result was not due to lack of desire on the part of the present commission to determine equitably the proper valuation, but was due to the commission's lack of adequate auditing force properly to examine the company's business. The last legislature, under the influence of Governor Brandon, and perhaps also of the power company, refused to grant the commission that appropriation necessary to employ an auditing force of the requisite ability and numbers to inquire into the cost of utility operations in this State. There is only one organization in Alabama that knows how much it costs to produce power in this State, and that organization is the Alabama Power Co. Needless to say, the company will never tell of its own volition.

Meanwhile the affairs of the company flourish like the green bay tree, only more so. Everybody desires that the company shall prosper. It is to the public advantage that it shall prosper. But there is strong reason to believe that it is profiting unduly out of its present ability to escape that careful and capable examination that the public welfare requires. There is suspicion that the company enjoys unknown and considerable items in its appraisal that are a direct and an unjustified tax upon the consumers of hydroelectric current in Alabama, and that the very cost of its operations is under present circumstances a sealed book to the State commission.

By the way, I am informed that the public records in Montgomery, Ala., show that this company's properties are assessed for taxation at \$4,000,000 and that the utility commission is permitting them to earn a return on \$14,000,000. This is indefensible, if true.

I read further from the editorial:

The commission, at the last session of the legislature, applied for an adequate and competent auditing force, not comparable with the auditing force maintained by even one large utility in this State, but regarded as sufficient to protect the public interest. This force asked for was to match itself against the wits and talents of those in the employ of certain utilities and fighting to prevent that thorough inspection of records and arrival at a fair valuation contemplated by law. By this shortsighted policy of refusing the force asked for, the Governor and the Legislature of Alabama have doubtless cost the people of this State annually many, many times the sum saved by the refusal. It is pertinent to remember that the public service commission was given no hearing on this important item of auditing appropriation, but the application was summarily denied by the legislature.

Senator McKellar is probably right in his statement as to power rates in Alabama being much higher than they should be. But he unjustly places the blame upon the State commission instead of upon Governor Brandon and the legislature which nullified the commission's plan to find out just how much it really costs to produce power in this State.

Mr. President, if the Alabama Public Utilities Commission prevented another raid upon the people, prevented an increase of rates by 30 per cent being put upon the people of Alabama as stated in this editorial, it is entitled to credit for that service, and I congratulate it upon that service, but, Mr. President, if it is allowing that company to pay taxes on \$4,000,000 worth of property only while the company is allowed to earn returns on \$14,000,000 worth of property, then that commission is not doing its duty, and I suggest to it not to indulge in criticisms of other people. Anyone of the members of the commission can go to the books in Montgomery and find for himself those figures and can act upon those figures. So, Mr. President, my idea is that if we are going to turn the fixing of these rates over to a State commission we shall be without any regulation of this great property.

Mr. President, with one or two more suggestions I shall have concluded. A great deal has been said about public and private operation. I have in my hands copies of two bills for electric lighting. One bill, under public ownership in Canada, is for 334 kilowatt-hours at a cost of \$3.55. I have in my hand a copy of another bill for exactly the same number of kilowatt-hours—334 kilowatt-hours—in the city of Washington, and that bill is for \$23.18. The difference between the two bills is the difference between \$3.55 and \$23.18. If that is the difference between public ownership and private ownership, I, for one, am in favor of the public operation of this plant.

The Washington bill is 650 per cent greater than the Canadian bill for exactly the same amount of current. Mr. President, I ask as a part of my remarks to insert copies of these two bills and I also ask that they may be printed in parallel columns in the RECORD.

The PRESIDING OFFICER (Mr. CAPPER in the chair). Without objection, the Senator's request will be granted.

The matter referred to is as follows:

Under public ownership the "Ontario system" of water-power development sells electricity to Canadian homes thus: One month, 334 kilowatt-hours, \$3.55.	Under private ownership the Washington (D. C.) Electric Corporation charges the American home consumer thus: One month, 334 kilowatt-hours, \$23.18.
J. CULLIN, 250 Victoria Avenue, Niagara Falls, Ontario.	Dr. C. S. KING, 102 Beverly Court, Washington, D. C.
To THE HYDRO-ELECTRIC SYSTEM, Dr.	To POTOMAC ELECTRIC POWER CO., Dr.
Main Office, 120 Welland Avenue, Niagara Falls, Ontario	From December 14, 1922, to January 15, 1923:
To electric-light service for July, 1922:	120 kilowatt-hours, at 10 cents per kilowatt-hour—
Present meter reading, 847—	\$12.00
Previous meter reading, 513.30—	214 kilowatt-hours, at 5.225 cents per kilowatt-hour—
Consumption in kilowatt-hours, 334.304—	11.18
Gross bill—	334 total kilowatt-hours—
Less discount of 10 per cent—	23.18
Net bill—	
No discount after August 15, 1922.	

Mr. McKELLAR. Mr. President, a few days ago I read an editorial which seems to me to sum up this situation as well as it could possibly be summed up. That editorial, which is of date January 7, 1925, and is entitled "A \$100,000,000 present," reads as follows:

One little piece of Wall Street news reads thus: "General Electric went to a new high for all time."

General Electric, you know, is the big corporation that expects to transform Muscle Shoals into a little Teapot Dome of its own, with some dignified senatorial help.

If General Electric got, and the people lost, that power property, about as they lost their oil property, General Electric would be worth more by at least one hundred millions.

Wall Street gamblers have observed that big corporations usually get what they want. Somehow, it seems to dignified Senators, the right thing to let them have what they want.

However, little people, if wise, will gamble cautiously, even in General Electric. Some Senators, like NORRIS of Nebraska and WALSH of Montana, lack appreciation of the corporation's right to take public property.

Mr. President, I am so thoroughly convinced that the Underwood substitute, if enacted into law, would not be best for the Government or for the American people that I shall be constrained to vote against it.

I have nothing against the Alabama Power Co. or against any other company; I want them to prosper; I should like to see every corporation in this country prosper; I should like to see every individual in America prosper; but, Senators, we have no right to make any particular corporation prosper at the expense of all the people. This is the Government's property that we are proposing to give away. This property has been paid for in taxes by the American people. We are the trustees of the American people. It is our duty to make the best out of this property for the American people.

The Norris substitute provides exactly the same benefits for the farmer which the Underwood amendment provides or claims to provide. The Norris amendment also provides that the property shall be kept intact always as a Government property for use in time of war. We need not think that we are not going to have other wars. Wars are likely to come at any time. It is the duty of America, after having prepared this great war asset and completed it, to keep it in its own hands and not to transfer it to some private corporation in order that that corporation may further exploit the people and the communities near where it is located.

So, Mr. President, I sincerely hope that the Underwood substitute may in the end be defeated. I think it would be better that the Norris substitute as amended be passed, but, under no circumstances, ought the Underwood substitute be adopted by the Senate.

I do not see how Senators on either side of the Chamber can find it to their interest or to the interest of their Government or to the interest of the American people or to the interest of any part of the American people, except those who are actually interested in getting the property, to vote in favor of the Underwood measure, and I hope, upon mature reflection, they will not do so.

Mr. HEFLIN. Mr. President, while my friend from Tennessee was addressing the Senate I could not refrain from thinking of the very strong speeches he has made against the Norris bill in the past and how ably and earnestly he has supported the bill containing the Ford offer. The provision in the Ford offer which appealed to me so strongly at the outset was that which required the manufacture of fertilizers for our farmers in time of peace and nitrates for the Government in time of war. My colleague [Mr. UNDERWOOD] has written into his substitute the same provision that was in the bill accepting the Ford offer and several amendments have been adopted which have made that provision of the Underwood substitute even stronger than when the Senator from Tennessee supported so ardently the bill accepting the Ford offer.

I confess that I do not understand the changes that have taken place here regarding this important matter. The Senator from Tennessee indulges in speculation along this line, and why should we not be permitted to do so? If I supported the bill embodying the Ford offer in the outset and advocated the provision in it requiring the manufacture of fertilizers for our farmers—and I still support that provision, which, as I have said, has been made stronger by amendments adopted at this session of the Congress—why should I be criticized by one who, along by my side, also supported the bill accepting the Ford offer for weeks and months and years, but now finds himself suddenly over in the camp of the Senator from Nebraska [Mr. NORRIS].

If my recollection serves me aright, the Senator from Tennessee has presented telegrams and petitions time and time again from the people of his State indorsing the Ford offer. The Senator has made some speeches on the subject. I am having them looked up now and I may be able to read some of his statements to the Senate—some that he made here on another occasion in support of the Ford offer.

Mr. McKELLAR. Mr. President, I will say that I have not received any petitions and memorials from any of my constituents, so far as I now recall—not a single one—asking me to support or vote for the Underwood substitute. One gentleman in the State said that he rather looked with favor on that measure, but he was not wedded to it and, if there were any possibility of the Alabama Power Co. getting control of the property under the Underwood measure, he would be as much opposed to it as am I.

Mr. HEFLIN. The Underwood substitute has been before the Senate for only a very short time. The bill accepting the Ford offer was pending here for three years. The petitions the Senator from Tennessee received regarding that bill came in about a year ago. It may take two years for the information to get there so that the Senator's constituents may become thoroughly informed as to the true situation here.

Mr. McKELLAR. Oh, no; they are very much quicker than that.

Mr. HEFLIN. I know they are very alert; they are splendid people, the very salt of the earth—

Mr. McKELLAR. I thank the Senator.

Mr. HEFLIN. And that is why I am fearing now that my friend is going to have trouble in explaining his swapping horses on this measure.

Mr. McKELLAR. Oh, no, Mr. President; they are behind me. I am getting telegrams and letters daily congratulating me.

Mr. HEFLIN. And swapping so quickly that he has amazed me by the rapidity of his action.

Mr. McKELLAR. I should like to jar the Senator a little.

Mr. HEFLIN. Mr. President, the farmers are not being considered very much here by some Senators, I fear, although we are right at the point now where we can do something for them, where we can really get action on a measure and pass it and have the President approve it and make disposition of Muscle Shoals in a way that will make sure that the farmers of the South will be benefited by it.

The Senator from Tennessee now supports the measure of the Senator from Nebraska. He did not do that at first. He got up close to it and then he shied off from it; he then went closer to it and it looked a little better to him, and finally, with GEORGE NORRIS, with outstretched arms and smiling, saying "Won't you come over with me," and the Senator from

Tennessee said, "I will," and he fell upon the bosom of the Senator from Nebraska and wept. [Laughter.]

Mr. McKELLAR. Mr. President, so that the Record may be absolutely correct—and I know the Senator would not desire and does not intend to have it otherwise—I want to suggest to the Senator that the Senator from Nebraska accepted an amendment to his amendment providing that exactly the same amount of fertilizer shall be manufactured for the benefit of the farmers as are required to be manufactured under the Underwood substitute. Such is my belief about the matter that, with that provision thus protecting the farmers as far as it was possible to do so, I felt that the farmers were safer in the hands of the Government of the United States, so far as the manufacture of fertilizers at the Muscle Shoals plant is concerned, than they were in the hands of the Alabama Power Co.

Mr. HEFLIN. The Senator had already announced his opposition to the Underwood bill before he reached that far down the road in his conversion to the Norris bill. The Senator was really lost between the two measures for a little while. He was not for the Underwood bill; he was not for the Norris bill; he was on the mourners' bench; he was contemplating very seriously which way he would go, and finally he went over, as I have said, to the Senator from Nebraska.

I never thought that the State of Tennessee, which Old Hickory Jackson served and honored so long and in whose soil his remains sleep to-day, would ever have a Senator who would be supporting a socialistic measure in this body. The Senator from Nebraska [Mr. Norris] undertakes to put the Government into business against the enterprising citizens of the country. The bill of my colleague seeks to keep the Government out of business and to lease the property to private citizens to operate it in the interest of the farmers of the country, not because we think that they particularly want to operate it in the farmers' interest, but because Congress says in the law that they shall do it.

Mr. BROOKHART. Mr. President—

Mr. HEFLIN. I yield to the Senator from Iowa.

Mr. BROOKHART. I should like to ask the Senator about this socialistic stuff in the bill he is supporting. Does it not have a governmental operation alternative in it? Is it not a socialistic bill, too?

Mr. HEFLIN. No. We first state that the President shall lease the plant, or have the opportunity to lease it, and he must try to lease it. After he does all in his power to lease it, rather than permit it to stand idle we say: "If the private enterprise of the country does not want it and will not operate it, then it must be operated," and as the last resort we provide that the Government shall operate it. The Senator and those with him, however, put the Government in charge of it at the outset. They do not give private enterprise an opportunity to operate it. They put the Government, with all its power, right into competition with the private citizen. That is the attitude of the Senator from Iowa and the attitude of my friend from Tennessee when they support the Norris bill.

Mr. McKELLAR. Mr. President—

Mr. HEFLIN. I yield just for a question, because my friend was so careful not to permit me to make a speech in his time that I, while replying to him, do not want to be interrupted by him for that purpose.

Mr. McKELLAR. I only want to ask a question.

Mr. HEFLIN. I yield.

Mr. McKELLAR. Is not the principle of Government ownership and operation in the alternative part of the Underwood bill as it is in the other bill? The only difference between the two bills, as I understand—and I ask the Senator if it is not true—is that one goes in first and the other one goes in last. They both have Government operation.

Mr. HEFLIN. No, Mr. President. I tried to make that plain before. Under the Underwood bill every one in the country who desires to do so may bid for the Muscle Shoals project and he has an opportunity to take over this plant and operate it. The President can permit him to do that. He is directed to do it under this bill; but under the Norris bill the Government takes hold of it in the outset and private citizens are told to get in the background and make way for the march of socialism in the United States, led by the Government itself.

That is the difference between the two. I know the difference between a Bolshevik and a Democrat [laughter], and I know the difference between a Socialist and a Democrat, and I am getting more and more informed about them and their vagaries as this debate progresses. My friend from Tennessee is just jumping up opposition ghosts here and yonder and chasing them down the line, and one of them hardly gets out of sight before he has jumped another one, and he now says that

we make no provision for the maintenance of this dam; that it might cost \$1,000,000.

Mr. McKELLAR. Oh, no; for replacement.

Mr. HEFLIN. There was nothing about replacement in the Ford bill, which the Senator supported for three years without batting his eye in opposition to its provisions. The Ford bill provided only \$55,000 a year to take care of both dams and operate the locks. I have seen this dam which is now nearing completion at Muscle Shoals. It is a great piece of work. It probably will not have to have anything done to it in a hundred years. The chief engineer said that the \$55,000 that was provided in the Ford bill was enough.

Mr. President, the Senator from Tennessee is an able Senator and he is my good friend, and I want to save him if I can before it is everlastingly too late; God knows I would love to see him come home. I want him to come back and get off the shifting sands on which he stands and build his house upon the rock. George Norris will get him into quicksand so deep that he will struggle in vain for a moment and before he fully knows what has happened everything will be settled in the sand bed, and the Senator will be under the sand and unable to see. [Laughter.]

Mr. McKELLAR. What is the name of the rock that the Senator wants me to come back to? Is it the Alabama Power Co. rock?

Mr. HEFLIN. It is the rock of Gibraltar and the cardinal principles of the Democratic Party.

Mr. McKELLAR. I do not yield to the Alabama Power Co. that position.

Mr. HEFLIN. The Senator from Tennessee conjures up another ghost. He tells us that the Alabama Power Co. is going to get this plant. I do not know whether it is or not. He does not know, either. That is another ghost created by the extraordinary imagination of the Senator from Tennessee; and if it suits his purpose to fight behind the Alabama Power Co., why, let him do so.

Mr. McKELLAR. I am fighting in front of it.

Mr. HEFLIN. Whether the Senator is fighting in front of it or behind it, it does not make any difference to me.

Mr. McKELLAR. No; I am not fighting behind it.

Mr. HEFLIN. It does not make any difference to me, just so it consoles and comforts the Senator and renders assistance to him in his effort to excuse himself for supporting the socialistic measure of the Senator from Nebraska.

My good friend has gotten himself all mixed up again on Lock 18 on the Coosa River. That was my bill which provided for building that dam, as I said before. I was in error about the Alabama Power Co. not being concerned in it.

He was right in the statement that the Alabama Power Co. wanted to build the dam, but as to the fertilizer end of it—I am right about that. The fertilizer was to be made there by the American Cyanamid Co. I stated a little while ago, and I desire to state again, that by reason of the veto placed on that bill by Mr. Taft the American Cyanamid Co., which had already made its arrangements to set up business at the capital of my State, withdrew, went out of the country, and is now doing business in Canada, and is making cyanamide, putting it in fertilizer, and selling that fertilizer at a profit in the United States.

The Senator from Tennessee said that he voted for that bill in the House, and that he voted wrong, and that he is not going to vote that way any more. Let us analyze that statement of the Senator. That bill in the House was for the purpose of setting up an industry in the United States, the like of which we did not have in our country. The Senator voted for that bill. He was, therefore at that time, in favor of bringing in industries, encouraging them, building them up; but he now says he is sorry he voted that way, sorry that he tried to bring this great cyanamide industry into the United States. We used to be told that he who makes two blades of grass grow where one grew before is a benefactor, a distinct blessing to mankind. Here we were trying to have another industry, and one the like of which we never had before, and the Senator from Tennessee says he is sorry that he rendered us assistance when we tried to bring in such an industry.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HEFLIN. I will.

Mr. McKELLAR. The Senator talks about making two blades of grass grow where only one grew before. That is substantially the argument that the Senator made when he was in the House about this Coosa Dam. It was that the Alabama Power Co., through its partner or agent, the Cyanamid Co., was going to manufacture nitrates for fertilizers for the farmers of Alabama and of the South; but were any

such fertilizers ever manufactured there? Have they ever been manufactured there?

Mr. HEFLIN. Certainly not. I am going to say now, for the fourth time, that the bill was not passed and the dam was not built at that time.

Mr. McKELLAR. But it was afterwards built.

Mr. HEFLIN. Yes; years later and under altogether different provisions. On the occasion the Senator speaks of there was no dam built and no law under which the American Cyanamid Co. could operate and they had to go where they could get power. It was denied them in the United States by Mr. Taft's veto, and they were driven out of the United States into Canada. That is why they did not make fertilizer as they intended to do and that is why it has not been made.

I trust that that situation is plain to the Senator now. I spoke about making two blades of grass grow where only one grew before, and I am now seeing about me the situation changed and more than two socialists appear to grow where only one grew before. [Laughter.]

Mr. President, the Senator from Tennessee says that I advocated the Lock 18 measure 12 years ago and made the same kind of argument that I am now making here. This but proves that I am at least consistent. It shows that I have been for more than 12 years in favor of having cheaper fertilizer manufactured for the farmer. I was for it when that bill was up for consideration in the House. I was for it when the Ford offer was made more than three years ago. I was for it when the senior Senator from my State, my colleague [Mr. UNDERWOOD], put the Ford fertilizer provision in his bill, and I am still for compelling them to make fertilizer at Muscle Shoals. I am consistent, and that is more than my friend from Tennessee can say with regard to this matter. He was for it when he was in the House at that time. He now says that he is sorry he was for it. He was for the Ford bill when it was here, and he was against the Norris bill. The Ford bill has been withdrawn. The Norris bill is now pending. The Senator has changed from his support of the Ford idea and has gone over and is supporting the Norris idea. So the Senator has changed four times in these 12 years, and I am exactly where I then was when that bill was vetoed by the President. That bill was killed by the veto of President Taft. This bill may be killed by the conduct of the Senator from Tennessee and the Senator from Nebraska and some others. It may be that the same fate awaits this bill that awaited the bill killed by President Taft's veto. I am trying to prevent that, Mr. President.

I opposed the veto of President Taft and I oppose the tactics now employed to kill this bill, and I want to repeat what I said the other day: The Senator from Nebraska has vigorously attacked a Power Trust.

I would not be surprised if there were such a trust. That Power Trust has never openly said one word against the bill of the Senator from Nebraska, and I repeat that its agencies are smiling in the background whenever the Norris bill supporters attack this bill, because this bill specifically provides that fertilizer shall be made at Muscle Shoals. Then they are aided by another trust—the Fertilizer Trust—and that trust has become so indignant and restless and mad that it has now come out in the open and is issuing bulletins against the Underwood bill, which contains the fertilizer provision of the Ford offer.

Mr. President, how does the Senator from Tennessee console himself in the face of that situation? Here is the Fertilizer Trust condemning the Underwood bill because of the Ford fertilizer provision in it, and the Senator himself standing here saying that the fertilizer provision in it is no good. If that were true, would the Fertilizer Trust be attacking it? They would be the last ones to open their mouths in condemnation of it, because they would much rather have it passed with a weak, ineffective provision in it, so that they could say afterwards, "There is nothing in it; you can not enforce it; they will make no fertilizer under that provision," rather than complain now and give us the opportunity to amend it, strengthen it, and make it so that it could be enforced as to the manufacture of fertilizer. My good friend the able Senator from Tennessee finds himself again back in the shifting sands. I do not see how the Senator can reconcile his former position—his advocacy of the Ford measure—with his antagonism now of the fertilizer provision in the Underwood bill, and his antagonism to the Norris bill originally with his warm support of it now.

Not only that, but he comes along now and finds himself very much pleased with the bill of the Senator from Nebraska because, he says, they have amended it so that ferti-

lizer will be manufactured, as the Ford provision in the bill of my colleague provides.

Let us see where the Senator from Tennessee now finds himself in that regard. The Senator from Nebraska [Mr. NORRIS] day after day, week after week, and month after month has stood on this floor and said that fertilizer can not be made at Muscle Shoals. Day after day he has said that he doubts if fertilizer will ever be made there; and yet my friend from Tennessee, I am sorry to say, is following him. The farmers of his State are bound to take note of that. The Senator is supporting a bill the author of which himself declares that in his judgment they will never make an ounce of fertilizer under any bill at Muscle Shoals.

Mr. McKELLAR. Mr. President—

Mr. HEFLIN. And when the Senator wakes up, if this measure shall be killed and the bill of the Senator from Nebraska passed, somebody will take that record and say, "Did not the author of it tell you that he never expected to see any fertilizer made there? Did he not tell you that it could not be made there at a profit? And then, even with that information, you went on and supported his bill anyhow and had to climb over a bill which had in it a provision that would require the manufacture of fertilizer there, and you stamped on that provision with both feet in getting over to the measure the author of which said no fertilizer would ever be made there."

I now yield to the Senator for a question.

Mr. McKELLAR. As I understood the Senator a moment ago, he said I had changed my position four times while he had stood pat on his original position. Does the Senator mean to say now that he is a "standpatter"?

Mr. HEFLIN. Not at all; I never said "stand pat," either.

Mr. McKELLAR. I was out of the Chamber, and I got only the substance of what the Senator said.

Mr. HEFLIN. That is like a lot of information the Senator has obtained on this measure—incorrect.

Mr. McKELLAR. That was a serious question, for this reason: That the Senator understands, of course, that those associated with him in this fight for the Underwood bill are largely "standpatters."

Mr. HEFLIN. Those who are supporting this bill are trying to help the President out of a predicament. Legislation over Muscle Shoals has been hanging fire here for four years. The Senator from Tennessee has cried out against that delay, and I am sorry to say he is chief among those delaying it to-day. I am not sure but that he will vote for the bill of the Senator from Washington [Mr. JONES]. I see him constantly conferring with him. He is nearly as close to him right now as he is to the Senator from Nebraska, and God only knows what is going to come out of this strange combination. [Laughter.]

Oh, Mr. President, it seems to me that the Senator is now supporting anything and everything against the very provision which he supported in the Ford offer for three years. I do not know whether the weather has anything to do with a man's attitude on these things or not. I know that we have very changeable weather here. One day it is hot and the next day it is cold. It reminds me of the old fellow out in Texas who wrote back to a friend in Tennessee. He said:

Dear Bill: If you have not started for Texas, don't. This is the most hellacious climate in the world. On yesterday, while driving a yoke of steers across the prairie, one of them had a sunstroke, and while I was skinning him the other one froze to death.

[Laughter.]

That was a quick change in the weather, Mr. President, but not much quicker than the change of my friend from Tennessee.

I want to say again that I am sincerely in favor of having cheap fertilizer manufactured at Muscle Shoals for our farmers. God knows I have done all I could to help them get cheap fertilizer. Side by side I have fought with the Senator from Tennessee, and how I regret to see him leave me. How I yearn for his presence in battle. How I would love to have him again by my side, close enough to feel his elbow touch mine. Side by side we voted together for three years, and I never believed he would prove unfaithful to me. But when I saw him making goo-goo eyes at GEORGE NORRIS across the aisle I said, "Mac, you are flirting." [Laughter.] And not only flirting, Mr. President, but they have been holding hands, and I have lost him. He has gone, and it almost breaks my heart. [Laughter.]

Oh, Mr. President, there are some strange doings around here. The Senator talks about standpat Republicans voting for this bill. I will say again that the President evidently wants

to do something with Muscle Shoals. This thing has been under consideration a long time, and he himself heard it discussed for two and a half years when he presided over this body, and he heard Henry Ford's lamentations around the country against failure to act on the matter, and I say to the Senator from Tennessee that I think the President was for Henry Ford's offer. I am inclined to believe that if Ford had not withdrawn his offer the President would have openly supported it at this session. But Ford has withdrawn it. My colleague [Mr. UNDERWOOD] has put into his bill the Ford provision, so that the President is consistent, if he was for the Ford offer, and is still supporting the Ford provision in the Underwood bill. The difference between the Senator from Tennessee and the President himself is that the President has come to our position, and the Senator from Tennessee, it seems, has deserted us.

I believe it was Job who said: "Oh that mine adversary had written a book."

The Senator from Tennessee has made several speeches in this Chamber, and he usually makes a good, strong speech. If his premises were correct, he always made a good speech, but frequently his premises are wrong, as they are wrong in this instance, and of course he makes a speech that does not measure up to those he makes when his premises are good and sound.

I beg my friend not to join with those who do not want action on Muscle Shoals at this session of Congress. The people of Alabama are anxious to have this thing disposed of, as are the people of Tennessee and the other Southern States and the whole country. We of the South are mostly interested, of course. The Senator from Tennessee is now sitting by the splendid, genial Senator from the State of Washington [Mr. JONES], a State 3,000 miles from Muscle Shoals. Come back on this side of the Chamber, my friend. I am from Alabama. Both of us are from the South. Our farmers, of all the farmers in the country, need this fertilizer most. We need to buy it at half the price we are now paying. Come back on this side and consult with your brethren, those who represent the oppressed farmers of the South, and do not talk so much to the distinguished Senator from the far-away State of Washington, who would not know a cotton blossom from a jimson-weed leaf. [Laughter.] He does not know anything about our problems, and I appeal to my friend not to talk to him so much about this legislation. You Senators arouse my suspicions. I fear you have something up your sleeves; that some of you are trying to postpone action on this matter at this session of Congress. Some of you will support the Jones bill, some of you will support the Norris bill, and some of us will support the Underwood bill, and are we going to permit ourselves to wind up by doing nothing? If so, when the doors are finally closed on the 4th of March and we walk out of this Chamber the Power Trust will say to some Senators, "Hurrah for you boys. You accomplished your purpose and you never showed your hand."

The Senator from Nebraska [Mr. NORRIS] can not get away with the grand-stand play that he has inaugurated here. The power companies, when they appeared before the Agricultural Committee bidding for Muscle Shoals, sat there day after day and manifested every symptom of friendliness and sympathy toward the bill of the Senator from Nebraska. There is no doubt about that. No member of the committee can deny that. When we got to talking about what we would do with the Ford bill some of us would ask, "Do you not think this could be done under the Ford bill?" They would shake their heads. And they made it plain that as between the Ford bill and the Norris bill they preferred the Norris bill. Yet the Senator from Nebraska stands here and talks and walks around roaring like a lion about a Power Trust, when the Senator, consciously or unconsciously, is doing just exactly what the Power Trust wants done. They do not want this Underwood bill passed with the Ford fertilizer provision in it.

Mr. President, this bill has been amended so that it is fair to the States round about Muscle Shoals with regard to power distribution. An amendment has been agreed to, offered by the junior Senator from Georgia [Mr. GEORGE], which provides that the power, outside of that used in the manufacture of fertilizer or nitrates, shall be equally distributed among the States round about. That is as fair as could be. Not only that, but I want to remind my friend from Tennessee that there is an amendment in the bill, offered by my good friend the senior Senator from Georgia [Mr. HARRIS], which gives the farmer preference in buying fertilizer made at Muscle Shoals. He is to have a chance to buy the whole supply before anybody else can get a pound. Yet there is talk around here to the effect that the farmer is not being looked after properly in this bill. I know what our opportunities are in this bill. If

it is not what it should be, let us amend it and make it so. We should not try to find flaws in it for the purpose of aiding somebody else with something else. The opportunity is ours right now to pass this bill, and I believe that it is the only one that we have a chance to pass at this session of Congress which will make sure the manufacture of cheap fertilizer for our farmers.

The Senator from Tennessee, my good friend, finally comes around and says a kind word for the Alabama Power Co. He says it has really made a better bid for Muscle Shoals, a better proposition, than the Underwood bill provides for. That would not indicate that the Alabama Power Co. was interested very much in this proposition. We have not seen any signs of it during this debate, which has lasted for about six weeks. My colleague told the Senate that the president of the Alabama Power Co. told him he would not bid for Muscle Shoals under the provisions of his bill. Why does the Senator from Tennessee keep calling this measure a subterfuge and insinuating that we are supporting a subterfuge when there is no evidence here to support his contention? There is no evidence here that the Alabama Power Co. would bid, and as I have said the president of that company has told the author of this bill that he would not bid under the provisions of this bill. The President must say who is going to lease this Muscle Shoals property. He said in his message to us that he was in favor of making fertilizer at Muscle Shoals. Senators, the question here is, Are we going to throw away this opportunity of compelling the manufacture of cheap fertilizer for the farmers of the country, or are we going to divide our forces and support first one thing and then another, and because of our failure to agree or stand together reach the end of the session with nothing done with Muscle Shoals?

Mr. President, I am glad to say that several of those who have voted with him on other questions during the consideration of this bill are not going with him on the Jones amendment. I am hopeful that it will not receive from this side of the Chamber more than half a dozen votes in any event. I even hope that it will not receive any votes, because I think I know and, as Senator SMITH said, we all know what we want to do with this plant at Muscle Shoals no. I think that we farmers know what they want done with it. The farmers, represented by their bureaus in Washington, are for the Underwood bill, which carries the Ford provision for making fertilizer. The farmers over the South need the benefits that will come from the bill if we can just get behind it and enact it into law.

Let me make this appeal to my friend from Tennessee: Let us from the South, at least, quit scolding and criticizing and get right down to business, and if the Underwood bill is not yet what we want it to be let us offer amendments to it and make it represent our views. Let us unite our forces from the South at least, where the farmers are paying twice as much for fertilizer as they should pay. Here is an opportunity to manufacture 2,000,000 tons, one-fourth of the present yearly supply, which will control the price. Then the farmers of Tennessee, who now pay some \$14,000,000 annually for fertilizer, will get it for \$7,000,000. The Senator will be serving his own constituents as well as mine.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. HEFLIN. I yield.

Mr. McKELLAR. The Senator invites me to offer amendments to perfect the bill. The best way to perfect the bill in the interest of the people is to provide for Federal regulation.

Mr. HEFLIN. On that particular amendment I did not agree with the Senator.

Mr. McKELLAR. I offered such an amendment and it was voted down by the Senator and those who with him are supporting the bill. It does not offer much inducement to Senators to try to perfect the bill when the Senator and those organized with him vote down all amendments that would be beneficial and in the interest of the people and in the interest of the farmer and the consumers of the power.

Mr. HEFLIN. I differ with the Senator on the question involved there of Federal control. I am not in favor of Federal control. I am a States-rights Democrat. I do not believe in Federal legislation that destroys the sovereign States of the Union. When it is undertaken here to reach into the State and deprive it of the right to regulate the institutions operating within its borders, it is saying in effect that they are not honest enough or intelligent enough to control these things themselves. That is why I am against the centralizing of power at Washington. I believe in permitting the States to regulate the rates

involved here if it can be done. The Senator offered an amendment to a proposition that is now coming into being and wants Federal control of it. Why should the Federal Government regulate these rates so far as Alabama is concerned? We have a splendid commission for that purpose. We provide in this bill that when the power goes across into Tennessee the commission of Tennessee can regulate whatever goes into that State, and why not? Tennessee is a great State.

Mr. McKELLAR. If the Senator will permit me, that would be impossible, because there is an Alabama statute that prohibits the Alabama Public Utility Commission from considering an application for the use of power in another State.

Mr. HEFLIN. That of course could be regulated by the Federal Government if it becomes an interstate proposition. But the Senator's amendment went right to the roots of the proposition and wanted the rates regulated even in my State by the Federal Government. I am not going to vote for these things that I call Federal interference with the rights of the States and local self-government. There is too much of that, Mr. President, and some day the people are going to wake up and ask a Senator, "If we commission you to go to Washington to represent us at the Capital, what are you going to do? Are you going to give more power to the Federal Government and take away from the States the powers that rightly belong to them, or are you going to maintain the rights of the States to protect them against Federal usurpation?" That is what is going to be asked some day by the people in the various States of the Union.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. HEFLIN. Certainly. I am always glad to yield to my friend from Idaho.

Mr. BORAH. I merely wish to say that if that question is not asked pretty soon there will be no occasion for asking it.

Mr. HEFLIN. The Senator is right. Some people here are absolutely running mad over bureaucracies and commissions, a destroying of the rights of the States, and it is being done by men commissioned here to protect those rights. What are we coming to? The Senator from Tennessee can search my record if he wants to, from the time I came into the House in 1904 until this good hour, and he will find that I have always tried to safeguard those rights; so he need not express any surprise when I vote against any amendment he offers which undertakes to take away from my State the right to say what shall be charged for power produced there when the matter is under the control of my State. I am not in favor of surrendering the right that the people of my State have of regulating State matters in my State.

The Senator talks about the General Electric stock going high in price in Wall Street. What has that to do with the Underwood bill containing the Ford offer regarding fertilizer?

Mr. McKELLAR. It went higher when the Underwood substitute was agreed to.

Mr. HEFLIN. I did not hear the Senator's last statement. The Senator might as well say that hay advanced in price in Chicago yesterday. It had nothing to do with this bill. There may be a General Electric Power Co. The Senator from Nebraska [Mr. NORRIS] has repeatedly said that he is in favor of a "giant power concern." I am opposed to it. I think we would be better off if we had 48 separate and distinct power concerns, one in every State in the Union, instead of concentrating all of that power into the one giant power concern which the Senator from Nebraska says he favors. He is the man that my friend the Senator from Tennessee is now following in this legislation. I am not following him. He is too socialistic for me. He has just about reached the point where he would not recognize a good old American principle of government if he were to meet it in the road.

I want my other friends, who were not in the Chamber a moment ago when I was talking about this feature of the bill, to know what I said about making fertilizer at Muscle Shoals under the bill of the Senator from Nebraska. The Senator from Nebraska has repeatedly said that he did not believe any fertilizer would ever be made there. He has repeatedly said that he did not expect to see it made there. I think that he said it ought not to be made there.

My friend from Tennessee evidently does not recall his statements in regard to that. I call on my friend from Tennessee to look into this matter.

The Senator from Tennessee refers to Wall Street. The Wall Street Journal had an article in it shortly after Ford withdrew his offer, which read something like this:

Chilean nitrate stocks advanced in price when it became known that Ford's offer had been withdrawn. The Chilean nitrate people feared Ford's offer. They believed that fertilizer would be made at Muscle Shoals and they dreaded this thing more than anything else.

That is the substance of the statement.

The stocks of the Chilean nitrate company went up when Ford withdrew his offer. They ought to go up again when the Ford provision in the Underwood bill is being attacked by my good friend from Tennessee and others under the leadership of the Senator from Nebraska. Why not? Everything that helps to begot the issue, every stone rolled in the way of the Ford provision in the Underwood bill, ought to cheer the Chilean nitrate people, of course, and it ought to compel their stocks to go up.

Mr. President, I did not rise to discuss this measure at length. I want to close with this thought: The farmers of the South, practically all of them, were committed to and were ardently in favor of the Ford offer. They were for it above all things, because it offered to them hope and opportunity to get away from the robbery and oppression of the Fertilizer Trust. They saw in it an opportunity at some day not far distant when they could actually save to themselves in the Southern States \$100,000,000 a year; and oh, what a blessing that would be to our farmers in the South, burdened yet with debts and unpaid taxes piled up during the deflation panic of 1920 and 1921. How it would help them, Senators, to get out of debt and be free men again. How that \$100,000,000 saved every year would help them to buy the comforts and necessities of life for themselves and their families in their homes upon the farms. Oh, Mr. President, \$100,000,000! I put it at a hundred millions; I believe it would be fifty millions more.

The senior Senator from my State has, ready for passage, a bill containing the Ford proposition, as I have said, amended by the Senate that requires the Alabama Power Co., or whatever company gets Muscle Shoals, to manufacture this fertilizer and not to make over 8 per cent above the cost of production, which means half the price at which it is selling to-day. Practically all the witnesses before our committee said it could be done, and I am hoping we will, by our action at this session of Congress, have the opportunity to do it. But if certain Senators bring about the defeat of the measure and if Congress adjourns with some bolshevistic measure passed in its stead, or if the Congress adjourns with nothing American having been done, these Senators can flatter themselves as having been the instruments, with their knives in their hands, which stabbed to death the only opportunity before the Senate to make cheaper fertilizer for the farmers of the South and the country. That is the positive attitude in which they are bound to find themselves. There is no escape from it.

Mr. President, since the Government first declared its purpose to make nitrates at Muscle Shoals for the Government in time of war and fertilizer for the farmer in time of peace, I have been steadfastly in favor of it. Somebody some time back in the States who desires to run for the Senate is going to read the Record and is going to get at the truth. It will be told to the people and when the farmers know that those who stood in solid phalanx for three years battling against the ramparts of the Fertilizer Trust, fighting for the Ford provision, for cheap fertilizer, they are going to want to know why they broke ranks at this session of Congress and followed off after the Senator from Nebraska with his bolshevistic, socialistic program, which means that there will be no fertilizer made for the farmer at Muscle Shoals if he has his way in this matter.

Mr. COPELAND. Mr. President, after the eloquent address to which we have just listened it requires some bravery to undertake to divert the thought of the Senate even for a moment from the subject of Muscle Shoals. However, I desire at this time to make a brief statement regarding America's interest in airship construction. [After a pause.]

The Senator from Tennessee [Mr. McKELLAR] desires to have me yield for five or ten minutes in order that he may make a reply to the Senator from Alabama [Mr. HEFLIN]. If I may yield without losing the floor, I shall be very happy to do so.

Mr. HEFLIN. If any question of fact shall be involved in the reply of the Senator from Tennessee, I shall desire an opportunity to reply to him.

Mr. McKELLAR. Mr. President, I think that there can be no question of fact involved, but I shall be very glad to have my good friend reply if he shall so desire.

The Senator from Alabama has had something to say about the company that I have been keeping. He charges me with voting with the senior Senator from Nebraska [Mr. NORRIS] and thinking or voting with the senior Senator from Washington [Mr. JONES]. I do not know but what I shall plead guilty to both charges, so that there may not be any question about the fact, but, while talking of line-ups, I want to call the

attention of the Senator from Alabama to the distinguished progressive company that he has been keeping lately on the Republican side of the Chamber. I wish to read the list of those who voted for the Underwood substitute. I shall not read all of the names but I shall merely read enough of them to show the company that the Senator from Alabama is keeping in this matter.

Mr. HEFLIN. The Senator, though, does not object if I have converted them to the right course for once in their lives, does he?

Mr. McKELLAR. I hope the Senator has, but I am not so sure that the Senator has converted the well-known progressives whose names I am about to read. I am rather inclined to think these well-known progressives have rather converted the Senator to their way of thinking. I desire to read the list of yeas on the Underwood substitute. They are:

BALL, a well-known progressive; BUTLER, a well-known progressive; CAMERON, a well-known progressive; CURTIS, a well-known progressive; DALE, EDGE, FESS, HALE, KEYES, McCORMICK, McLEAN, MEANS, METCALF, ODDIE, PEPPER, PHIPPS, REED of Pennsylvania, SHORTIDGE, SMOOT, STANFIELD, STERLING, WADSWORTH, WARREN, WELLER, and WILLIS.

Those Senators are perfectly splendid Senators. I do not for a moment read their names for any other purpose than merely to show how changes have come over the spirit of the dreams of the Senator from Alabama. Think of the Senator from Alabama yoking up with those well-known progressives of the Senate. I think the Senator from Alabama is to be congratulated or these well-known progressives on the Republican side are to be congratulated, and I will leave that matter to individual opinion.

Mr. HEFLIN. Mr. President—

Mr. McKELLAR. I yield to the Senator from Alabama.

Mr. HEFLIN. If the Senator will permit me, I desire to remind him of the statement which is found in the Scriptures in reference to an ancient city upon which a curse was about to fall, that if there could be found in it one righteous man the city would be spared.

Mr. McKELLAR. If the Senator from Alabama is admitting himself to be the one righteous man who voted for the Underwood substitute, I hope he may in some mysterious way yet save the others.

Mr. SMITH. Mr. President, I can not allow the passage of Scripture as quoted by the Senator from Alabama to go unchallenged. The statement is that the city would be saved if 10 righteous men were found therein.

Mr. HEFLIN. But I think it finally said one.

Mr. SMITH. No; it did not get down to one, for the man who was praying was himself a righteous man. The number was 10.

Mr. McKELLAR. I admit that the Senator from Alabama is righteous or not righteous, just as he says himself.

Mr. KING. Mr. President, I do not think either of the Senators can qualify as a biblical student.

Mr. McKELLAR. I accept that statement of the Senator from Utah, too.

Mr. President, the eloquent speech of the Senator from Alabama reminds me of the time when I first learned to admire his oratory. I think the first great oratorical outburst that I ever heard from the Senator from Alabama was in the House of Representatives on August 12, 1912. It is so appropriate to the bill that is now before the Senate that I think the Senator has done himself great injustice in not quoting a part of the speech. I am going to read it at this time in support of the Senator's position in his fight in this case. The Senator from Alabama then said:

If you divide that \$1,600,000 by 50 years, there is \$32,000 a year for the use of this little strip of river now singing the song of wasted strength as it rolls its way to the sea. [Applause.] And gentlemen talk about conservation. Now, what is a conservator? One who protects from injury. Are we injuring the river? No. We are improving it for navigable purposes and at the same time utilizing the power of that river, now serving no purposes and going to waste. That is what we are doing, Mr. Speaker. Conservation and preservation. For what? For useful purposes. Are we undertaking to do that? Most assuredly we are; but some gentlemen here are planting themselves in the way of the development of this river in my district. Mr. Speaker, I recall an occasion in this House when Senator BURTON, of Ohio, a Republican, then a leading Member of this House, had a bill providing for the construction of a public building in his district. It provided that it should be built of granite, and the sandstone people wanted it built of sandstone. Mr. BURTON said, "I ought to have the right to say of what material it shall be built; it is in my district." Some of his own colleagues turned against him. I took the fight up on this side with other gentlemen here, and I said the matter per-

tained to Mr. BURTON's district and outsiders had no business running their noses into it and depriving a Representative of his rights upon this floor. [Applause.] We voted with him. We saved the day; and Democrats and Republicans stood here and saw to it that Mr. BURTON was allowed to represent his district. But we have gentlemen here who talk about a dam site, and every time they hear of a dam site or see a dam-site bill they throw a fit. [Laughter and applause.] My friend from Illinois [Mr. Foster], my friend from Mississippi [Mr. Humphreys], and my friend from Wisconsin [Mr. COOPER] all look cross-eyed every time they hear of a dam-site bill.

They remind me of the fellow who was treated for the drink habit.

Old Uncle Jerry, in telling the story said: "Old Man Jimmy Simpkins's boy tuck powerfully to lick a while back and the old man tuck the guts of three green gourds and a double handful of green tobacco stems and boiled them down to a simmering stew. He then strained the juice into a glass, gave it to his boy on his empty stomach early in the morning."

"Well, what became of him?" was the inquiry. The reply was, "Oh, he is doing fairly well now. He is getting to where he can drink a little water biled on the white of an egg and eat a snowflake cracker if it is browned and powdered good, and give to him in a spoon, but when we exercise him we have to blindfold him, for the mere sight of a tobacco patch or gourd vine sets him to vomiting again. [Laughter.] And they can't tell yet whether his relishment fer licker is gone or not." [Laughter and applause.]

Mr. Speaker, every time these gentlemen hear of a dam site, or see a dam-site bill, they are miserable, they suffer in the flesh, and hereafter when we exercise the gentleman from Mississippi [Mr. Humphreys]—

And, by the way, Mr. Humphreys has not done anything more offensive than I did the other day. He offered an amendment providing for national regulation of the dam site, and he was held up to contumely, ridicule, and scorn, just as I have been held up to-day for committing the same offense. The Senator from Alabama then proceeded:

and the gentleman from Illinois [Mr. Foster], we will have to blindfold them, because the mere sight of a dam-site bill sets them to heaving and sighing, and we can not tell you whether their relishment for representing all the districts in the United States is gone or not. [Laughter and applause.]

Then, Mr. Speaker, the gentleman from Illinois [Mr. Foster], the self-selected Member from the Nation at large [laughter], the astute and self-constituted guardian of every district in the United States [laughter], drew his little legislative blade and, cutting the air as he came [laughter], rushed recklessly in the arena to defend his people against the calamity that would overtake them if Congress should grant a permit to dam the Coosa. [Loud applause and laughter.]

Then, Mr. Speaker, I saw the gentleman from Wisconsin [Mr. COOPER], with an air determined and resolute, rise and lean forward, eager to hear all that was being said about building a dam across the Coosa River, down in my district. I could see his nostrils distend with indignation [laughter] and his eyes flash with the fire of serious concern [laughter] as he contemplated the outrage about to be perpetrated upon his people by the building of a dam across the Coosa River, way down in Alabama, in my district. [Laughter.] Then I could hear his big heart beating with fury as he expressed in lurid language his opposition to the construction of a dam across the Coosa River [laughter], and as he took his seat I could hear wailing and gnashing of teeth amongst his constituents in far-away Wisconsin. [Laughter and applause.] Then I seemed to hear his terror-stricken constituents say, "What will become of us and ours? Who will keep the wolf from the door? Who will shelter us in time of storm if they dare to dam the Coosa River?" [Laughter and applause.] Then they lifted up their voices and shouted in unison with the gentleman from Wisconsin, "You may dam the Ohio and dam the Tombigbee, you may dam the Hudson and dam the Tennessee, and you may dam the Mississippi, but dam the Coosa? Not by a dam site." [Loud laughter and applause.]

Mr. Speaker, if the men who have grown gray in the service of their States, and through their States have contributed to the strength and glory of the Republic, could witness the effort of gentlemen here to encroach upon the reserved rights of the State by demanding that the Federal Congress shall prescribe rules of conduct for and demand toll from a local enterprise in a sovereign State, they would shake their hoary heads in sadness and admonish these gentlemen to venture not upon this dangerous road of new nationalism. [Applause.]

If the men in middle life who glory in the traditions of Bunker Hill and Yorktown, who still cling with love and loyalty to the principles of the Constitution, could witness the effort of zealous but misguided conservationists to deprive the State of rights and powers vouchsafed unto it by the founders of the Republic—aye, if the young men, the hope of the country, the thoughtful students of our system of State and Federal Government, could witness this effort to strip the State of its just powers and leave it a useless, meaningless thing

in what is now the household of sovereign States—they would all exclaim: "This does not mean conservation, but it means damnation to the wisest and best system of State and Federal Government ever devised by the genius of man." [Applause.]

Here, in plain language, is the conclusion of the whole argument, although it was not delivered by my distinguished friend in his speech on this occasion:

The question is, Shall we invite capital to come and aid us, capital encouraged and controlled by State laws, in the development of a local power plant, or shall we postpone this development, lose this opportunity to aid navigation, and keep capital out of the State, because of foolish and unauthorized Federal restriction? [Applause.]

Permit the Alabama Power Co. to build this dam across the Coosa River and establish this nitrogen plant, and you have not only aided navigation and advanced the cause of industrial development in Alabama, but you have contributed to the comfort, happiness, and prosperity of our people. [Applause.]

Mr. HEFLIN. Mr. President—

Mr. McKELLAR. I shall yield in just a moment.

The Senator from Alabama made substantial the same speech here to-day; and while he did not mention the Alabama Power Co., that same power company stands knocking at the doors of Congress and seeking now just as it did then this great grant of power for its own private uses, under the pretense of desiring to manufacture fertilizer for the farmers. It has never manufactured an ounce of fertilizer for the farmers. Now it seeks in the same way, on the pretense of manufacturing fertilizers for the farmers, to get another enormous grant of power. It was a piker then. It is coming for a giant piece of Government property at this time.

Mr. HEFLIN. Mr. President, were we supporting a subterfuge when the Senator and I supported the Ford provision for compelling the making of fertilizers for the farmers? Were we supporting a subterfuge when we supported a measure that gave to the Government less by \$40,000,000 than the Underwood bill does?

What I rose to say, however, was that I have been profoundly impressed as the Senator read my speech here, and probably I was a little severe in my characterizations of him this morning on his socialistic views. I am now constrained to believe that there is hope for the Senator, since he has gone to studying my speeches. [Laughter.]

Mr. NEELY. Mr. President, by way of compensation for the extreme reticence of the junior Senator from Alabama [Mr. HEFLIN], which had escaped our attention until he spoke of it, I desire to read into the Record some rational observations concerning Muscle Shoals, which appear in to-day's New York World:

It seems fairly certain now that within the next few days the Senate will vote finally on the Underwood bill for Muscle Shoals. Debate has not run long enough to convince everybody what the Underwood plan will do, or even what it is meant to do. But at least there has been debate enough to tire out the Senate.

The immediate choice, as it now presents itself, is between the Underwood bill, which President Coolidge favors, and the Jones amendment to refer the whole question to a commission for a year's study and report to Congress. The Wadsworth amendment Saturday received but five votes. The Underwood bill is a better bill than it was a month ago. The failure at that time to throw any protective guaranties around the water power at the shoals, a failure to which the World objected, has subsequently been corrected by an amendment providing guaranties in conformity with the Federal water power act.

Nevertheless, there is so much disagreement among intelligent men as to what the Underwood bill will and will not do, there is so much insistence that a rental of 4 per cent on the cost of Dam No. 2 is too low a figure, there is so much chance that a commission of engineers can develop new opportunities to use Muscle Shoals to its best advantage, that the alternative plan for a year's study is a sensible way for the Senate to handle its problem. Dam No. 2 will not be ready until next fall; Dam No. 3 is still a diagram on paper. We should lose little by waiting a year, and we might lose much by rushing.

The author of the foregoing able editorial might have added, in the words of an old proverb, "delay is always better than disaster."

AMERICA'S INTEREST IN AIRSHIP CONSTRUCTION

Mr. COPELAND. Mr. President, at this time I desire, as I said, to make a brief statement regarding America's interest in airship construction.

Whatever contributes to the annihilation of distance and the shortening of time in communication between peoples or individuals constitutes a distinct service to mankind. Whatever does this advances the cause of harmonious human relationships.

The recent trip of the ZR-3 from Germany to the United States gives promise of a two-day mail and passenger service between this country and Europe. No one can question the incalculable international benefits such a service will confer.

The safety and speed of such travel has been amply demonstrated. The main condition upon which practicability now seems to depend is economy of construction and operation. Thus far this has been accomplished only by European, particularly by German-built dirigibles.

I am told that Germany has had dirigible passenger service for 15 years. It is stated that eight of their ships have made 1,691 passenger trips, covering 140,000 miles in 3,708 hours of travel, without loss of life or even injury to any passenger. I am informed, too, that professional Zeppelin pilots in Germany secure life insurance at ordinary premium rates, the companies recognizing these employees as being engaged in a normal occupation, which involves no extraordinary risk.

Rear Admiral Moffett revealed recently that the Navy-built *Shenandoah* cost \$1.37 per cubic foot. He advocates the construction of a 6,000,000-foot dirigible rigid airship to cost \$6,000,000.

In this connection it is interesting to observe that the German-built ZR-3 was delivered to our Government at a cost of less than 38 cents per cubic foot. Its builders profess to be anxious, if permitted, to deliver additional craft at the same figure.

Trans-Atlantic air-mail service is undoubtedly coming. American business men already have taken the necessary preliminary steps to inaugurate its actual operation. They are deterred only by immediate inability to buy their prospective fleet at reasonable prices.

The Zeppelin Co. claims its delivery of finished Zeppelins is a matter of months only. From any other source no delivery is possible for years.

If these things are true—and whether they are or not can be ascertained—does it not seem to impose an unnecessary retardation of an enterprise of such value to human betterment and progress?

Admiral Moffett asserts that dirigibles built at the cost price per cubic foot of the *Shenandoah* can carry mail with profit. The ZR-3 is probably the best airship yet built, and its makers would fill our order in one-third the time at one-third the cost of any other estimate so far made. Surely this difference would be a tidy contribution toward making up our much-discussed postal deficit.

This is only one of the many reasons why we of America have a direct practical as well as sentimental and humanitarian interest in the resumption of airship construction by the Zeppelin Co. It justifies us in protesting against the threatened destruction of its plant.

We are not advocating that any clause of the treaty of Versailles be rewritten or reinterpreted. We have no quarrels with the treaty provision which forbids Germany to build any airships for military purposes. Experts are in almost unanimous agreement on the negligible military value of airships, anyway. If this is true, the inhibition of the Allies against German activity in this direction is hardly less than an economic crime.

The status of the international situation is shown by this quotation from the Washington Post of January 9:

For a long time past Germany has been showing increasing dissatisfaction with the restrictions placed on the size and power of her commercial airplanes by the treaty of Versailles. These restrictions were nine in number and controlled flight radius, lifting power, size, etc., their object being to prevent the construction of commercial airplanes which could in a few hours be transformed into war machines. The French Government has insisted on these restrictions being maintained. The British, on the other hand, are of opinion that they no longer serve any good purpose, as Germany is now in possession of machinery for the rapid construction of war planes and could at very short notice construct a war air fleet.

The Council of Ambassadors is charged with enforcing the treaty clauses relating to the use of airships. The Council of Ambassadors permitted Germany to resume the building of airships for commercial purposes as of May 5, 1922, and arbitrarily defined commercial ships as those having a cubic gas content of 1,000,000 feet or less. The council thereafter authorized Germany to build the ZR-3, containing 2,500,000 cubic feet, for the United States Government, but for commercial purposes only. This sanction, inconsistent with its original sanction, proper though it may have been, surely characterizes the previous limiting definition as more or less absurd. To attempt distinction between military and commercial airships by size alone is as accurate as it would be to designate an

armored torpedo boat as a peace ship and the *Leviathan* as a man-of-war.

The tendency now is to make larger and larger airships. The council recognized this in its promise to revise the 1,000,000-foot limiting restriction by May 5, 1924. But, if I am correctly advised, this promise remains unfulfilled.

Do our European friends desire to curtail our air commerce as our marine commerce has been so effectively crippled? Great Britain, with government help, is building two huge dirigibles of about 5,000,000 cubic feet each. American business does not need nor ask for subsidies if it is only granted the privilege of buying in the best market without gratuitous foreign interference.

Germany has proven herself the leader in airship construction. Why should this progressive and necessary industry be forbidden to contribute its share of reparations under the Dawes plan?

Swift, safe intercommunication of this character is perhaps the most potent prospective factor in the promotion of international world-wide understanding and good will. How long shall we continue to be handicapped by European precaution against commercial rivalry?

Aeronautic progress and the welfare of the world demand the resumption of airship construction. Apparently the Zeppelin organization is almost or quite the only one of proven ability to build safe craft and to build them economically. Our own Government recognized this in arranging for the purchase of the *ZR-3*.

It recognized the same principle when previously it contracted to buy from the Zeppelin Co. a 3,500,000-foot ship which was to fly around the world without stop. Contracts were signed by our then Secretary of War. The Zeppelin Co. bought \$50,000 worth of materials. Construction was about to start when orders direct from Washington countermanded all previous orders from the same source, and declared the deal off. Because the Allies objected, and for that reason alone, our contract, written and signed by the two parties, became a scrap of paper. The Zeppelin Co. has never been able to collect one dollar of money expended by and due it on account of this transaction.

Are our international commercial policies forever to be controlled by alien diplomatic coercion? Is our advantage in having the world's only known helium supply to be nullified by selfish foreign influences?

It is our right to know why we are deprived of the freedom to buy airships from the best source; why the Council of Ambassadors has not kept its promise to revise the restrictions on Zeppelin-built airships for commercial purposes; if and when the council intends to make this promise good; why a peaceful commercial industry should continue to be under allied political ban, at great cost to Germany, to reparation payments, to aerial progress, to the United States, and to the world at large.

That was the purpose of the resolution I introduced in the Senate on January 5, 1925. The text of the resolution is as follows:

Whereas the Council of Ambassadors on May 5, 1922, permitted Germany to resume the construction of commercial aircraft, and publicly declared its purpose of revising, within two years, the restrictions imposed by them relative to the definition of what constitutes commercial aircraft as differentiated from military aircraft, and

Whereas there has been no public announcement of any such revision, and

Whereas the interests of this country and of present-day aeronautics demand the fulfillment of such promised revision: Now therefore be it

Resolved, that the executive department be requested to ascertain from the Council of Ambassadors its present attitude toward such promised revision and to inform the Senate thereof, if not inconsistent with our national interests.

It seems to me we should find out what can be done to correct the present situation.

THE FRENCH DEBT

Mr. DILL. Mr. President, at this lull in the discussion of Muscle Shoals I want to take just a moment to discuss an article which appeared yesterday in the Washington Post and to put in the Record a few figures appearing in that article.

During the past few weeks there has been a great deal of discussion about the debts of the allied countries to the United States, and Arthur Sears Henning, in an article which appeared in the Washington Post yesterday, summed it up so well that I want to put a few of the figures in the Record. He pointed out that if the Allies were to cancel the debts, France would cancel \$2,717,908,500, England \$8,684,334,000, and the

United States \$12,041,440,921. Without taking the time to read the article, I should like to have inserted as a part of my remarks the record as he gives it of the negotiations which have been had with the various countries covering these debts.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the Record, as follows:

[From the Washington Post, January 11, 1925]

(By Arthur Sears Henning)

Just because Great Britain is paying her \$4,600,000,000 war debt to the United States and France avers that she intends to pay her \$4,000,000,000 debt to Uncle Sam sometime, it should not be assumed that Europe has abandoned the notion of inducing America to cancel those bothersome obligations.

At no time have Great Britain and France abandoned their maneuvers to draw the United States into a position in which it would be induced or compelled to cancel the debts.

If cancellation were agreed to, France would forgive debts aggregating \$2,717,908,500, Great Britain \$8,684,334,000, and the United States \$12,041,440,921.

The debts fall into five classes:

1. Money advanced during the hostilities, nearly all of which was spent in the United States for the purchase of war supplies (authorized under Liberty bonds acts).

2. Advances through the American Relief Administration after the armistice for the purchase of relief supplies. (Act of February 25, 1919.)

3. Sales of surplus war materials after the armistice. (Act of July 9, 1918.)

4. Sales of flour through the United States Grain Corporation. (Act of March 30, 1920.)

5. Advances through the United States Shipping Board for transportation.

ALL DEBTS TREATED ALIKE

The Debt Funding Commission has made no differentiations in the handling of the various types of debts, all being treated alike.

Similarly, the commission has rejected all suggestions that money borrowed but spent in the United States for munitions or food should be separated from funds actually exported and should be scaled down according to a lower rate of interest or deferred to some distant date.

A brief description of the refunding agreements and of the status of the negotiations between the United States and other debtor countries follows:

Armenia: There is no government recognized by the United States.

Austria: The time of payment of principal and interest of the Austrian obligations held by this Government was extended until June 1, 1943, and the lien of the obligation subordinated pursuant to special authority conferred by joint resolution of Congress approved April 6, 1922.

Belgium: Baron de Cartier, Belgian ambassador at Washington, who has been appointed by the Belgian Government to negotiate with the commission, has stated that he hoped to lay before the commission proposals for the refunding of the debt. He has had some informal discussion with representatives of the commission in regard to the status of the indebtedness, but no proposals or representations with reference to its refunding have yet been received. Meanwhile Belgium has paid in full interest due on such of her obligations as were incurred for the purchase of surplus war supplies.

CUBA HAS PAID IN FULL

Cuba: The only war debtor of the United States which has paid in full is Cuba. Her \$10,000,000 has been fully discharged with all interest due.

Czechoslovakia: The representatives appointed by the Government of Czechoslovakia left the United States in July, 1923, with the understanding that they would continue their efforts to adjust all differences between their accounts and those of the United States and would return to the United States in order to continue negotiations. On April 9, 1924, the commission was advised that the minister of Czechoslovakia at Washington had been authorized by his Government to proceed with negotiations. No proposals or representations with reference to refunding have as yet been received.

Estonia: Mr. Antonius Phip, minister of Estonia at Washington, called at the office of the commission on January 9, 1924, and stated that he had been instructed by his Government to inform the commission of its desire to refund its indebtedness to the United States. No agreement has as yet been reached.

Finland: An agreement was reached on terms similar to those entered into with Great Britain and was approved by act of Congress of March 12, 1924. Bonds of Finland amounting to \$9,000,000 were received by the Treasury on March 22, 1922, and payments of interest and principal are being made regularly.

NEGOTIATIONS WITH FRANCE

France: In July, 1922, the French Government sent a special mission, headed by M. Jean V. Parmentier, director of the movement of funds of the French treasury, to the United States to discuss the debt with the commission. M. Parmentier laid before the commission certain data relating to the financial and economic situation of France. He said that his government desired to postpone for an indefinite period consideration of the matter, until the financial situation of France should become more clear, particularly as to reparation receipts from Germany. No definite settlement has been proposed up to date. Meanwhile, France has paid in full interest due on such of her obligations as were incurred after the armistice for the purchase of war supplies.

Great Britain: An agreement was reached on February 2, 1923, which was recommended by the President to Congress on February 7, 1923, and approved by act of Congress February 28, 1923. Bonds of the British Government aggregating \$4,600,000,000 were received by the Treasury on July 5, 1923. This agreement is important not only in itself but as a model for agreements with other governments. The terms in brief provide:

Principal of notes to be refunded	\$4,074,818,359.44
Interest accrued and unpaid up to Dec. 15, 1922, at 4 1/4 per cent	629,836,106.99
Total	4,704,654,465.43
Deduct payments made Oct. 16, 1922, and Nov. 15, 1922, with interest at 4 1/4 per cent	100,526,379.69
Total	4,604,128,085.74
Amount thereon to Dec. 15, 1922, to be paid in cash	4,128,085.74
Total principal of indebtedness	4,600,000,000.00

The principal of the bonds shall be paid in annual installments on a schedule subject to the right of the British Government to make these payments in three-year periods. The amount of the first installment will be \$23,000,000 and these annual installments will increase with due regularity during the life of the bonds until, in the sixty-second year, the amount of the installment will be \$175,000,000, the aggregate installment being equal to the total principal of the debt.

Interest is to be payable upon the unpaid balances at the following rates on December 15 and June 15 of each year: At the rate of 3 per cent per annum payable semiannually from December 15, 1922, to December 15, 1932; thereafter at the rate of 3 1/2 per cent per annum payable semiannually until final payment.

For the first five years one-half the interest may be deferred and added to the principal, bonds to be issued therefor similar to those of the original issue.

Any payment of interest or of principal may be made in any United States Government bonds issued since April 6, 1917, such bonds to be taken at par and accrued interest.

Payments have been made regularly since the signing of this agreement, chiefly in the form of bonds purchased through their agents in the open market. Payments in bonds may be expected so long as the market is not too high.

Greece: No move to refund the existing debt has been made.

SETTLEMENT WITH HUNGARY

Hungary: An agreement was reached on April 25, 1924. On May 20, 1924, the Reparation Commission by unanimous vote agreed that the new bonds should have the same priority in respect to the assets and revenues of Hungary as that enjoyed by the obligations entitled "Relief series C. F., 1920," for which they were given in exchange. The settlement was approved by act of Congress of May 23, 1924. On May 29, 1924, the Treasury accepted bonds aggregating \$1,939,000.

Congress also authorized the Secretary of the Treasury, in his discretion, to subordinate the lien of the bonds received upon the assets and revenues of Hungary to that of the \$50,000,000 reconstructive loan approved by the Reparation Commission under date of February 21, 1924, without prejudice, however, to the priority over costs of reparation to which the bonds are entitled. On May 29, 1924, the Secretary of the Treasury consented to this subordination. The terms and arrangements for the payment of interest and principal are substantially the same as those accorded Great Britain.

Italy: The Italian Government stated in July, 1922, that it was prepared to send representatives to this country to negotiate with the commission, but no further action has been taken.

Latvia: No proposals or representations with reference to refunding have as yet been received.

Liberia: No proposals or representations with reference to refunding have been received.

Lithuania: The Minister of Lithuania in Washington appeared before the commission on May 16, 1924, and an agreement was reached on September 22, 1924, and approved by the President on the same day. The agreement is now before Congress for its approval. The terms and arrangements are modeled on those made with Great Britain.

Nicaragua: This indebtedness has not been refunded. Payments are being made from time to time on account of the obligations held by the United States.

Poland: The Minister of Poland in Washington appeared before the commission on June 23, and an agreement was executed on November 14, 1924, and agreed to by the President on the same date. The agreement now awaits the approval of Congress. The terms are substantially the same as those made with Great Britain, except for a provision under which Poland shall have the option to liquidate amounts due under the agreement prior to 1930 in part by certain annual payments aggregating \$10,000,000 and the balance in bonds of Poland similar in terms to those originally issued.

Rumania: Representatives of the Rumanian Government appeared before the commission on November 22, 1922. The exact amount of the debt was considered and unified. The representatives then explained the difficulties which their country was facing financially, but expressed their determination to enter into a definite agreement as soon as it was possible for them to commence the payment of interest. No proposals have since been received.

Russia: There is no government recognized by the United States.

Jugoslavia: Representatives appointed by the Government of the Kingdom of the Serbs, Croats, and Slovenes appeared before the commission April 7, 1924. They stated that their Government intended to present to the commission a plan for the refunding of its indebtedness to the United States, but that due to the economic and financial conditions existing in their country it did not feel that it could do so at the present.

DEBTS DUE GREAT BRITAIN, FRANCE, AND THE UNITED STATES

Here are the amounts of the interally debts:

Debts owed to Great Britain by: France, \$2,707,020,000; Italy, \$2,317,248,000; Russia, \$2,728,404,000; Belgium, \$502,524,000; Yugoslavia, \$107,406,000; other nations, \$321,732,000. Total, \$8,684,334,000.

Debts owed to France by: Russia, \$1,111,000,000; Belgium, \$584,300,000; Yugoslavia, \$300,000,000; Poland, \$208,000,000; Greece, \$177,200,000; Czechoslovakia, \$106,000,000; other nations, \$230,608,500. Total, \$2,717,908,500.

Interest is not included in the above figures, as the European powers have never reached an agreement as to the rate of interest on their war debts. These figures are approximate.

Debts owed to the United States by: Armenia, \$14,861,192; Austria, \$29,829,079; Belgium, \$471,823,713; Czechoslovakia, \$115,528,439; Estonia, \$17,488,685; (x) Finland, \$8,955,000; France, \$4,137,224,354; (x) Great Britain, \$4,577,000,000; Greece, \$17,250,000; (x) Hungary, \$1,953,542; Italy, \$2,097,347,122; Latvia, \$6,289,092; Liberia \$32,118; (z) Lithuania, \$6,030,000; Nicaragua, \$140,590; (z) Poland, \$178,560,000; Rumania, \$45,605,448; Russia, \$251,383,490; Yugoslavia, \$64,139,050. Total, \$12,041,440,921.

(x) Finland, Great Britain, and Hungary have already refunded their debts and are paying in on them. The refunding terms have been approved by Congress.

(z) Lithuania and Poland have made similar refunding agreements, which will go into effect immediately upon ratification by Congress.

These figures represent total indebtedness to the United States, principal and interest as of November 15, 1924, from the governments concerned. All unfunded debts are in the form of demand obligations.

Mr. DILL. Mr. President, in this connection I want also to recall the history of our Revolutionary debts to France, and her treatment of the colonists at that time. France is suggesting, through a rather informal note—I understand it is not to be taken as an official document of the French Government but simply a statement by the minister of finance—that she wants a 10-year moratorium, and 80 years in which to pay the principal, with interest at a suggested rate of 1 1/2 per cent. So I say that as a background it is interesting to review the history of our own debt to France and its payment following the Revolution.

Some days ago the Senator from Maryland [Mr. BRUCE] referred to the fact that there were certain gifts by the French King during that period, and I find in looking up the facts that those gifts amounted to about 10,000,000 livres. The French King, at the beginning of the Revolution, was not willing openly to make loans, but preferred to help the Colonists by secret gifts, through Beaumarchais, and later loans were made to the amount of something like 34,000,000 livres, a livre at that time being equivalent to 19 cents of our American money.

As soon as the hostilities between England and France had ended, the French demanded a settlement of the debt, and the United Colonists of that time made a settlement in 1782, before the treaty of peace between the colonists and England had been signed. In that settlement it was agreed that the Colonists would have a three-year moratorium following the declaration of peace, and the total amount to be paid was 45,000,000 livres.

The French King at that time said that as a further mark of his favor to the United Colonists he wanted to forgive the interest which had accrued on the colonial debt. We were not to begin payment of the principal for three years.

The treaty of peace between the Colonies and Great Britain was signed in September, 1783, but in 1786, under the Articles of Confederation, the colonists were not able to pay anything, and the three-year moratorium was in reality extended to 1792, and we made no payments until that year. The Colonists were compelled to borrow money in Holland and France to maintain our foreign representatives during that period, and even to establish the new Government, after the Constitution had been adopted.

I call this to the attention of Congress and of the country because it shows a very liberal spirit on the part of the French Government in those days, a spirit which should not be forgotten when France's debt settlement is to be considered by this Government. However, when the new American Government did become able to pay and did begin payment in 1792 the new Government paid very rapidly, so that in 1795 the entire debt had been settled through the making of loans in Holland.

Mr. President, there are certain similarities between the debt of the French to-day to this Government and the debt of the Colonists to the French following the Revolution. It is said that France spent here in the United States most of the money which she borrowed from this Government in the late war. So did the United Colonists spend in France the money which they borrowed from France.

It is said that France's need was desperate, and that she should be ready to pay this debt as quickly as possible. So was the Colonists' need very desperate when France advanced money to save the Revolution. It was so desperate, in fact, that in February, 1778, when we were pressing so hard for an additional loan, about 4,000 men had been returned as unfit for service because of lack of clothes. In January, 1780, General Washington reported that the Army had been on short rations of bread for three months, and that the rations must be shortened.

Another interesting fact is that the French Government seems to make a distinction between the money borrowed during the late war from this Government and the money borrowed after the war. My information is that the French Government has paid the interest on the loans made by this Government since the war ended, but has not paid the interest on or taken any steps toward the settlement of that which was loaned during the war.

It happens that the Colonists borrowed some of their money from France before the end of our war with England and some of it afterwards; but France made no distinction in those days in the settlement of the debt, and I think our own Government is correct in the attitude that we should make no distinction to-day.

French representatives take the position that this debt should be considered a political debt rather than a commercial debt, because it was money used in a common cause to save civilization. If that be considered a fair statement, it can well be said that the money borrowed during the Revolution was used to establish democratic government in the world. France did not consider that the money she then loaned to us—primarily, I think, because of her opposition to England and her hatred of England as the result of other wars—a political debt, nor should she now want us to consider her debt a political debt.

My complaint is not that France asks for liberal terms so much as that she does not make a definite proposal for any terms. Six years have passed since the war ended, and still we have no definite proposal. It seems to me that France ought to do what the almost unformed Government of the Colonies did following our war with England—she should make a definite proposition, offer an agreement to make a complete settlement of the debt, and thus place this Government in a position to be liberal in its attitude toward the payment of the debt.

THE AGRICULTURAL PROBLEM

Mr. BORAH. Mr. President, the outstanding feature of the last political campaign was the interest manifested upon the part of all candidates and of all political parties in the farmers of the United States. I do not recall any time in the history of our country such a deep-seated affection for any particular class of voters as seemed to be manifested toward the farmers in this last campaign. All candidates gave particular attention to their needs and to the conditions which seemed to environ them, and the most specific pledges were made to treat their conditions after the election was over.

Large amounts of money were sent into the agricultural States from the manufacturing States for the purpose of advising the farmers as to their ills and as to what should and would be done immediately after those who were candidates were placed in power. Indeed, the campaign turned in a large measure upon this question of the agricultural problem. It is conceded that had the agricultural States taken any particular view other than that which they did take, the result would have been entirely different.

Now, it is said conditions have wholly changed, that there is no longer any necessity for considering the agricultural problems. A very well-organized and apparently widespread campaign is going on to convince the farmer that his condition is entirely satisfactory. He is now advised that his troubles are either imaginary or such as are remedying themselves. How different to the anxious promises of a few weeks ago.

In a paper which I have here on my desk it is said:

Some Republicans in the Senate still insist there should be a special session of Congress to take up agricultural legislation, but the majority feel that the steady improvement of conditions among the farmers will make unnecessary any legislation before the assembling of the regular session of the Sixty-ninth Congress next December.

That seems to be the attitude which is being assumed upon the part of the great majority of those in power, to wit, that there is no longer any necessity for treating the agricultural problem; that conditions have so improved that we may put it aside until it is convenient for Congress to take it up next December.

In my opinion, fundamentally, the conditions affecting the farmer have not changed at all. I think the problems which confront us with reference to agriculture, if the farmer is to have any permanent relief, are the same as they were prior to the time the votes were cast in November. It is quite true that there has been in some localities to some extent a betterment of conditions, owing to an increase in the prices of certain articles; but, as I shall undertake to show a little later, that is due to transient causes, and may as suddenly disappear as it has appeared. But the great, underlying, fundamental questions which have to do with the restoration of agriculture to its proper place in the industrial life of America have not changed, to my mind, in the slightest.

As I look upon the agricultural question, Mr. President, it is not a temporary problem, not a passing question; it is not a local problem. It has come to be in every particular a national problem, and of just as much concern in one respect to the consumer and to the manufacturing interests as it is to the farmer himself. It is not a problem, in other words, which touches alone the welfare of the man who is upon the farm and undertaking to find a market for his products.

It is a problem which reaches out and incorporates in its effect the entire national life, and therefore the questions or the principles which enter into a proper consideration of it will be wholly misconceived if we undertake to treat them as applying to one particular class alone.

I want to say before treating of some features of it which it seems to me Congress must consider, that, of course, one of the primary evils with which the agriculturist has to contend is that of unjust and destructive taxation. I am perfectly aware that only indirectly do we affect the agricultural interests here in that respect, and that more directly that matter is with the States. But the subject must be considered as a whole and the party in power, whether in power in particular legislatures now assembling or in power in the Congress in session, is obligated to consider it as a whole.

I find upon examination that in 1913 the tax bill of the American farmer was \$624,000,000. In 1922, some eight years later, it was \$1,700,000,000. The rate of increase in the States wherein he is most particularly affected is now about 8 per cent per annum. I venture to say that no system or program will restore the American farmer to the place of prosperity which he should enjoy so long as this unconscionable exploitation continues in the name of government. There is no way, in my opinion, by which we could restore that confidence which ought to obtain upon the farm or that success which ought to obtain so long as the different States where he is particularly concerned continue this method of exploitation. To add over a billion dollars in the way of a tax bill, doubling and trebling the load in the short space of eight years, with a promise of a continuance of an increase at 8 per cent, means the destruction of American agriculture, and the fact that it is accomplished and achieved in the name of government does not, in my opinion, relieve it from the condemnation which it should receive.

I pause to read a paragraph, not from one who might be regarded as speaking from a political rostrum or from a

political standpoint, but an expert, an economist. Professor Ely said in a late statement:

Taxes on farm lands are steadily and rapidly approximating the annual value of farm lands, and in a period varying from State to State, but in most of the States in a relatively short period, a period so short that some of us may live to see it if the movement continues unchecked, the taxes will absorb farm land values. The farmer's land will be confiscated by the State and our farmers will become virtual tenants of the State.

So rapidly is this paralyzing, enervating, destructive system growing and developing that one of the great economists of the country advises us that within 150 years in the life of this Government the cost of government has already reached the land values and is still climbing by rapid strides.

It is not only that this burden is imposed as I have stated, but it is the disproportionate amount of taxes which the farmer is compelled to pay. The man in the agricultural field is not in a position to conceal his property. He is not possessed of that kind of property which can escape taxes as many other kinds of property may. The result is that whatever he has carries its full proportion of taxes. So we see that in 1913, measured upon the ratio of income, the farmer paid 10.6 per cent of his income in taxes as compared with 4 per cent for the balance of the community. In 1922 he paid in taxes 16.6 per cent while the balance of the community paid about 10 per cent. In some of the great agricultural centers, in some of the richest acres in the world, it is literally true that in the last three years the taxes of the county have exceeded the value of the wheat crop.

It may be said, and may be properly said, that that is a matter with which Congress can have little to do, that that great burden is imposed principally through the States and State legislatures, and I recognize that fact. I recognize, also, however, that there is no way by which to prevent a continuance of such a program other than that of arousing, organizing, and crystallizing public opinion along these lines. There seems to be no other way to prevent parties in power in the respective States from loading down the taxpayers through waste and salaries, and the immense pay rolls which take care of political hangers-on, but by an aroused public sentiment. These overhead charges in the States are something which in my opinion will necessitate a rehabilitation and reorganization if the industry is to survive. Agriculture can not survive another era of waste and profligacy, of shameless expenditure of public funds.

But, Mr. President, there are some features of the matter with which Congress has to do. The farmer does not get his proportion of that which his product brings. The marketing system in the country, in so far as we have any system at all, is one which deprives the farmer of any due proportion of the value of his product. A gentleman who has given a lifetime of study to this subject has given me some figures which I venture to believe are accurate, sufficiently accurate at least to justify the deductions which may be made. These are the figures: The total cost to the consumer of farm products in the year 1922, exclusive of cotton, tobacco, and products of animals, was \$22,500,000,000. That is what the consumer paid for the products from the farm exclusive of those three articles. Of this amount the farmer received \$7,500,000,000, the railroads for transportation \$500,000,000, and commissions, profits, storage, and waste, and other local distribution charges, or the costs between the producer and the consumer, consumed \$14,500,000,000.

Of course, with the other burdens to which I have referred upon agriculture, it is utterly impossible for it to survive under a system of marketing which gives to the farmer \$7,500,000,000 out of a value of the products of the farm as they go to the consumer of \$22,500,000,000. The only way it can be remedied is by a real system of marketing, not voluntary alone, but in which the Government of the United States may have a directing hand. That is not a problem which has passed or solved itself since the 3d day of November, 1924. That is one of the fundamentals of the situation which is here for us to consider, and until it is worked out I venture to say that the condition of the American farmer will be very little bettered by reason of the temporary rise in the price of this or that particular product, because that is too uncertain upon which to build. The rise in the price of wheat or of this or that product may enable him to get by for a season, to postpone his foreclosure or to get a new loan, but it will not enable him to get upon that side of Easy Street to enable him to face any crisis which may be expected within a reasonable time. It is a serious task to work out an effective marketing system, but it is one of the problems we have to solve. It will take extended and arduous study and consideration, but we have postponed it all

too long. I can think of no better or more appropriate time than in these coming months. The solution of that problem would not only go far toward rehabilitating the farm but it would serve all the people in all the different walks of life. It may take weeks, it may take months, and those weeks and those months are ours. Are we willing to meet this high patriotic obligation with courage and with some sacrifice of our own convenience and pleasure?

Much has been said of late about increase of prices in farm products. We must take into consideration that in all probability the cause of the increase of price in those products was the crop failure abroad. The indications are now that that will not long continue. Already I observe in the latter part of December the foreign markets decreased about two-fifths, leaving about three-fifths of what they were in 1923 and less than one-half of what they were in 1922. So while during the latter part of the summer and early fall, by reason of the crop failure abroad, there was an increase of price in particular articles, as I have said, it is only a temporary relief, and so long as the fundamental condition of the farmer remains the same he can only enjoy it as a temporary relief.

Mr. STANLEY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Kentucky?

Mr. BORAH. I yield.

Mr. STANLEY. The Senator suggests some improvement in the method of cooperative marketing in which the Government can or will be a participant. I am very much interested in that phase of it. Has the Senator any specific plan to suggest in which the Government will partake in the way of at least a partial elimination of the costs to which he refers, which are involved in considerable part in many cases in the charges of the middleman between the producer and the consumer?

Mr. BORAH. Mr. President, it is not my purpose to-day to discuss plans. What I desired to discuss particularly was the necessity of doing something. There are, however, three bills now pending, one particularly to which I have given attention, found in the Williams bill in the House of Representatives, which I think is a very carefully drafted measure. While I would not say that that measure is one that would not require some changes, I am satisfied that it does deal with a subject with which we have got to deal; and I am satisfied also that even if that bill does not meet the situation it is up to Congress to find one that will do so.

I know also that the Senator from Kansas [Mr. CURTIS] has a bill pending which has not only received his attention in the drafting but has also received the attention of a gentleman who has been a student of agricultural affairs all his life and in whom I have great confidence. There is also a well-considered bill here by Senator NORRIS. There is now in preparation a measure which seeks to cover the whole subject. The bills are here. The question I am presenting to-day is, Will we take them up?

Without digressing further to discuss particular measures, I desire to say that there are plenty of suggestions here, if we can have time to work them out; but if we wait for a year or so, we shall not do so, I fear. I digress here to read a paragraph or two from a statement only recently made by the Secretary of Commerce which seems to support the suggestions which I have made. He states:

What is needed is some organization of agriculture by which needed adjustment, which at present and in the past has taken many years, could be made in one or two years. It is conceivable that if all agricultural production were organized completely into great cooperative units, it would be possible to bring about economic adjustments in one to two years in the same way that industry is able to do it.

These wastes—

Referring to wastes between producer and consumer—

These wastes comprise:

1. An unnecessary number of purchase and sale transactions; that is, an unnecessary number of links in the distribution chain and an unnecessary number of people in each link.
2. The waste in transportation of inferior and unsalable products.
3. Deterioration from delayed movements, marketing, and repeated handling.
4. Unnecessary transportation through blind consignment and cross hauls in search for consumers.

There, Mr. President, so far as the West is concerned, is the most vital suggestion in all the suggestions made by Secretary Hoover. He continues:

5. The uncontrolled distribution by which local gluts and famines are created, with consequent destructive fluctuation in price levels and stimulation to speculation.

6. Inadequate transportation for expeditious handling; that is, poor terminals, car shortages, etc.

7. The speculative hazards in distribution induced by all of the above, for which either the producer or the consumer must pay through larger margins to the distributors.

A broad study of this problem would show that the volume of these fundamental wastes increases with the perishable character of the commodity and with the distance.

If we will approach the problem of agricultural marketing from the point of view of providing a plan which will eliminate as much of these wastes as possible we may bring about very great savings both to the farmer and consumer—in fact, a revolution in our distribution system.

Mr. President, speaking of the things which contribute to the better outlook upon which so much dependence is made now for the farmer, perhaps mention might also be made in connection with the crop failure abroad of what is known as the Dawes plan. It gave a certain tone of confidence to the situation and undoubtedly contributed to some extent to the betterment of conditions so far as the foreign market for farm products was concerned. I do not at all disparage the value of the Dawes plan; yet, if I owned a farm and its value depended upon the ultimate success of that plan without some other things of very great moment being done, I should be willing to part with my holdings at the first opportunity.

That plan is already in peril, and unless other steps shall be taken by which to clear the way for its operation, in my opinion, its effect upon the farm products of this country will be as temporary as are the crop failures in Europe. Until the final and ultimate amount which Germany must pay has been settled, and settled within reason, the Dawes plan can never, in my opinion, be permanently beneficial. So long as that problem is unsettled it can have only a temporary and passing benefit. It had the great virtue of bringing France and Germany in contact and of opening the way, it is hoped for the adjustment of other problems. In that respect its value was very great, but if conditions come about by which we are deprived of the fruit of that contact and the ultimate amount which Germany is to pay remains unsettled, I do not think that anyone feels that the Dawes plan can operate successfully for any considerable length of time.

Again, Mr. President, the underlying principle of the Dawes plan is that it gives over to the management of foreign powers or foreign agencies the industrial and the fiscal policies of a great people. That may be all well enough, and probably was the very best that could be done for the time being, but as a permanent policy it can only be successful while foreign governments are willing to loan their money to the nation thus managed; in other words, if a program is not so arranged that those people themselves can work out their salvation and they themselves rebuild their economic system and their industrial life, necessarily the management of foreign agencies will in a short time break down. As a long continued or anything like a permanent proposition it would result in economic peonage—a thing of short duration in the light of modern civilization.

I mention this not by way of criticism but to suggest that those who believe that the farm question in this country has been settled either by the crop failures abroad or the Dawes plan alone, it seems to me, have made the serious mistake of attributing to temporary relief the results which we hope might ultimately come from permanent relief.

I observed the other day, Mr. President, that the United States Chamber of Commerce had volunteered its advice to the President upon this subject, and, whether it is interesting to Members of this body or not, I know it will be interesting reading to the farmers of the country. The farmers know well how thoroughly familiar the members of the United States Chamber of Commerce are with their condition and how closely in touch they have been with their situation. The farmers will be greatly moved to learn how false and fleeting were their troubles. I quote from a newspaper article:

No extraordinary session of Congress will be necessary to enact legislation for the relief of the American farmers, President Coolidge was told yesterday by representatives of the United States Chamber of Commerce.

Prominent Republican Members have insisted that a special session of Congress should be called to consider farm legislation after the report of the President's agricultural commission has been made, but there is growing belief that the continued improvement in agriculture will preclude any need for legislation until the Sixty-ninth Congress convenes next December.

Why next December? If the conditions are improving as claimed, the farmers will certainly be infinitely better off next December than they now are.

Mr. President, I wish the United States Chamber of Commerce would first take to the President information as to how many farms were abandoned in 1924; also as to the number of farms that are now being foreclosed, and what proportion of those foreclosures have been begun since the 3d of November, 1924, and also as to what amount of interest remains unpaid upon American farms to-day. I wish they would place before the President some of the country weeklies published throughout the great agricultural regions of the West in which three and four pages are filled with tax sales, and see if that would not create a different impression upon the President of the United States than that created by the theories of men who look at the farmer through a Pullman car window as they speed from the Atlantic to the Pacific. In 1923, 1,000,500 people left the farm for the city. The hebra is just as strong to-day. In the 15 great Northwestern States, out of 69,000 farm owners 28,000 between 1920 and 1923 lost their farms through foreclosure and tax sales; 3,000 lost their farms without legal process, and 10,400 held on through leniency of creditors. The conditions fundamentally are no better now.

Then we are told in this interview there is another reason why nothing is to be done, and that is that this so-called relief for the American farmer is a mixture of politics and economics, which is always bad when applied to a particular class of individuals. Let me ask, my friends, what is the protective tariff system except politics and economics? Why do the great manufacturing establishments of the United States come to Congress and say, "We can not pay our taxes; we can not pay our interest; we can not maintain our institutions unless the Government interposes protection between us and those who manufacture abroad"? And so the Government—and I am not now discussing the wisdom or unwisdom of it—interposes in behalf of the American manufacturer, mixing politics and economics, stopping the natural flow of articles into this country by the barrier which the Government raises and thereby protects the manufacturer.

When the railroads get into trouble, as they did at the close of the war, they come to the Government for aid, and they receive material benefit. While it may be said that the railroads are public utilities and possibly stand in a different attitude from a legal standpoint as compared to the attitude in which the farmers stand, there is no more necessity for maintaining railroads in the country than there is for maintaining agriculture. Agriculture is just as much a part of the life of this Nation as our transportation system. I have observed that there is never any denunciation, particularly upon this side of the Chamber, of the mixture of economics and politics when these institutions or these interests are involved.

The farmer is asking the aid and direction of the Government in the marketing of his products. In my opinion, owing to the widespread scope and scattered life of agriculture it is impossible for the farmers to organize and direct their affairs alone; it must be done, in my judgment, under the operating direction of the Government of the United States; mind you, I say under the directing agency and certain statutory directions and limitations as to middlemen.

Mr. JONES of New Mexico. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from New Mexico?

Mr. BORAH. I will yield in a moment.

My interest in this brief suggestion to-day, Mr. President, is, so far as I am concerned, to record my protest against the proposition that the agricultural situation has settled itself, or that it will in the near future adjust itself, so that there is no longer any necessity for us to consider it. There are those who say to me that this or that remedy is unwise, or that the Government can not aid in this matter; that is a subject about which men may differ, but when they say that the conditions of agriculture have so changed that the situation is no longer serious, no longer demanding the attention of those who are interested in the prosperity of their country generally, I undertake to say that the facts do not sustain the assertion.

Let me ask here, in closing, suppose we had gone into the agricultural States last October and said to the people of those States, "This is our program: If you will return us to power, we will go back into session in December, 1924, and pass the appropriation bills. Possibly we may add a few bills increasing governmental expenditures, and thereby adding a little weight to your taxes; but the great task which will confront us in the winter of 1924 and 1925 will be the passing of the appropriation

bills. Then after we have passed the appropriation bills we will go home, and we will remain there until December, 1925. In December, 1925, we will return and pass another set of appropriation bills. We will likely close up on the appropriation bills about the 1st of March, 1926; and at that time, if you are not all off the farm, we will take up the question of considering your problem."

What would have been the result had we said that to the people of the agricultural States in the latter part of October, 1924? Until the polls closed, however, until the last voice died away, there was a solemn pledge upon the part of the party going into power, as we said in our platform, that this agricultural problem was a fundamental problem and we proposed to deal with it when we were given power. To that pledge we are committed. There is no way to avoid it except to abandon our promise to those who placed us here.

If we wait until the beginning of 1926, we shall be again facing an election. We shall be legislating under the influence of another vote-getting program. We shall legislate from the standpoint of expediency. We shall deal with it as men are wont to deal with a situation where political exigencies confront them. There is just one time to deal with these problems, which require scientific investigation, which call for study and care and some courage and some determination, and that is just as soon as we can do so after we have been given the power to do so.

I will yield now to the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President, the Senator from Idaho has been addressing us very forcefully regarding the temporary relief which the farmers of the country have been experiencing. I should like to inquire of the Senator if he has given particular attention to another phase of the same problem.

At the present time the balance of trade, so-called, is largely in favor of the United States. We are exporting commodities in a much greater measure than we are importing them.

Mr. BORAH. That is, in greater quantity.

Mr. JONES of New Mexico. In greater quantity and of greater value in dollars.

Mr. BORAH. Of greater value in dollars in one sense; but if you take the purchasing power of the farmer's dollar I do not agree with the Senator.

Mr. JONES of New Mexico. Well, be that as it may, it has no real significance regarding the point which I wish to suggest; but in dollars the balance of trade is largely in our favor, and at the present time that balance is being met by credits extended by the nationals of this country to the governments and nationals of other countries. The amount of those credits, so I am advised, is becoming very, very large. At the end of the year 1923 it amounted to about eight billions of dollars. During the year 1924 it was increased by about one and a half billions of dollars. So that at the beginning of this year there was already due to the nationals of the United States, on account of these credits, about nine and a half billions of dollars. There is due to the Government of the United States from foreign governments, roughly speaking, eleven billions of dollars more, making more than twenty billions of dollars due at the present time from sources outside of the United States to our Government and our nationals.

In the nature of things, can that condition be more than temporary? Are not these vast credits which we are extending to the rest of the world, the things which are now bolstering up and maintaining even the present prices and affording a present market for the farmer's products?

I may suggest also that that relates to the exportation of manufactured products. It must be evident that we can not expect payment in gold, because we have more than one-half the gold of the world now. There is only about eight and a half billions of dollars of gold money in the world; and if we were to bring together all the rest of the gold in the world in one pile and present it to the United States, it would only pay about one-fourth or less than one-fourth of the present indebtedness of the rest of the world to the United States.

The Senator referred a while ago to the tariff which we have built up here for the benefit of the manufacturers of the country. Should we not consider this situation with respect to the farmers of the country, and even the manufacturers themselves—that their market abroad, which means their prosperity, is being destroyed by the processes which have been brought into existence for the benefit of the manufacturers of the country? Is not this situation necessarily temporary? Can we go on forever extending credits abroad in order to enable those people to acquire our commodities?

It has been stated that the interest upon these private credits amounts now to three-quarters of a billion dollars a year, and, of course, that is bound to increase as time goes on; and should we not devise some permanent method whereby the farmers of the country, as well as the manufacturers of the country, can get actual payment for the things which they ship abroad?

In the discussion of the tariff bill a couple of years ago it appeared from the Reynolds report that about three-fourths of the commodities which are being imported into this country are not competitors with the manufactures of this country; that the articles which are imported are not comparable and can not be compared with the commodities produced in this country. That commission was given the duty of ascertaining the comparable articles imported and those which were manufactured in this country with respect to price; and experts tell me that three-fourths of the commodities mentioned in that report are not comparable with articles produced in this country, and therefore are not competitors. Should we not take up for consideration at least the question whether or not we should try to find a market in this country at reasonable prices for our people, so as to create a market abroad for our surplus commodities and enable the foreign people to have an opportunity to pay for the things which they get instead of giving us mere pieces of paper?

Mr. BORAH. Mr. President, the suggestions of the Senator from New Mexico open up a question which one scarcely dares to think of, because it is manifest that unless such conditions are brought about that Europe can and will get back to peaceful pursuits and produce things with which to meet these obligations, this extension of credit is going to bring sooner or later its own disaster. In that respect I quite agree with the Senator; but that opens up another subject which I shall discuss later in connection with a conference.

Mr. COPELAND. Mr. President, will the Senator from Idaho yield for a question?

Mr. BORAH. I yield the floor.

Mr. COPELAND. I wanted to ask the Senator from Idaho a question. I am surprised that he has taken his seat. I thought he was going to introduce the bill which would offer to the farmers the relief of which he speaks. I am sure that if the Senator from Idaho is ready with his bill the Senators on this side will be very glad to assist him in passing it.

Mr. BORAH. The bills are already here. What I am asking is for a chance to consider them.

Mr. COPELAND. Then why not have them before us?

Mr. BORAH. If the Senator can find the time, we will take them up.

Mr. SWANSON. Mr. President, as I understand, the Senator's position is this: He spoke with his usual clarity and courage, on which I congratulate him, and said that the voters of this country in November were assured that the fundamental questions affecting agriculture would be settled to the satisfaction and benefit of the agricultural interests of the United States. They expected, when they voted, that it would be done promptly.

Mr. BORAH. Yes.

Mr. SWANSON. If this action is delayed until next November, the Senator does not think it would be a fulfillment of the pledges and promises made by the Republican Party as understood by the voters when they voted in November. We ought to have an extra session of Congress to dispose of these pledges and promises now.

Mr. BORAH. That is my position, and I understand that is the position of the Senator from Virginia.

Mr. SWANSON. I concur with the Senator, except that I never expected to see the pledges fulfilled. That is where he and I differ.

Mr. BRUCE. Mr. President, I desire to make a few brief observations on what has been said by the Senator from Idaho [Mr. BORAH].

I listened to the Senator, as I always do, with a great deal of pleasure. We all know that he is at least one man in public life who is absolutely incapable of using the farmer as a mere demagogic instrument for advancing his own personal fortunes or the fortunes of his party. Therefore I listened to him not only with pleasure but with respect. It does seem to me, however, that what the Senator has said is as unsatisfactory as everything else that I have ever heard said as to just what the special grievances of the farmer are at this time, and as to just what the special remedies are by which they are to be corrected.

I represent, I think I can truly say, a very sensible, well-balanced, conservative constituency. Some time ago I had

occasion to say to the President of the United States, "You know, Mr. President, our people in Maryland are, I think, a sane, sensible, well-balanced people," and I am glad to add that he spoke up with unwonted emphasis and declared, to my great gratification, "Yes, Senator Bruce, that is undoubtedly so."

Mr. KING. I suppose that is because they voted for him.

Mr. BRUCE. That was before the last election; though I have not the slightest doubt that his good opinion of them has been very much enhanced by the fact that they gave him at that election a majority of some 16,000 or 17,000 votes, as I remember. However, he may rely on it that when our next local election comes around, that Republican majority will melt completely away, if I am not mistaken.

There was a great deal of agitation on the subject of agricultural problems here, all will recollect, at the last session of Congress, and more than once during that time, when I happened to be conversing with some Maryland farmer on the subject of the existing agricultural depression, I would have him say to me, "Yes, Senator Bruce, conditions at the present time are pretty bad, but we can not see that you fellows in Washington can do anything for us." That, I venture to say, is the attitude of the farmer more or less in Delaware, in the State of New York, in the State of Pennsylvania, and throughout New England also. He knows that there is very little that the Government can do for the farmer. The farmer's adversity and prosperity are things that are mainly, at any rate, produced by natural causes over which legislative bodies have no control.

Mr. BORAH. Mr. President, who is it but the Government who imposes on the farmer these tremendous tax burdens?

Mr. BRUCE. It is the Government; but may I ask the Senator from Idaho whose Government this is? Is it not the Government of the farmer, too? Does he not constitute one of the very largest numerical elements of the electorate, and if the Government is heaping upon him or upon any class of our citizens inordinate tax burdens, upon whom is it more incumbent than upon the farmer to see that those burdens are lightened by the exertion of the proper political influence?

Mr. BORAH. I do not know about the farmers in Maryland, but the farmers out through the West have been making a rather heroic fight along that line for years and have not accomplished it.

Mr. BRUCE. The trouble about the western farmer is—and I say it with the profoundest respect—that he does not make a sufficiently heroic fight. He has formed to no small extent the paternalistic idea that whenever misfortune befalls him, it is in the power of the Government, by a gift or by a loan or by governmental patronage in some form or other, to come to his relief.

Mr. BORAH. Mr. President, the Senator speaks of the western farmer and the Maryland farmer. I have had more letters from Maryland, proportionately, in regard to a special session and to relief for the farmers, than from any other State except some of the far-western States.

Mr. BRUCE. I am very much interested in that statement. I should like very much to know who some of those farmers are.

Mr. BORAH. I was told by the Senator's colleague that some of them are very prominent in Maryland.

Mr. BRUCE. It is very natural that in any community there should be a certain amount of discontent on almost any subject, and that that discontent, whether it really amounts to anything in volume or not, should, as respects agriculture, find its way to the Senator from Idaho, entertaining the view that he does about the capacity of the Government to afford agricultural relief. The trouble about the western farmer is, it seems to me, that he is not quite as patient as he might be. I should not like to see any farmer aptly compared, as John Randolph, of Roanoke, once compared the farmer, to a stolid ox, willing quietly to accept the refuse of the barnyard, stray fag ends of moldy fodder, and what not. Nobody wishes to see the American farmer, the very backbone of the body politic, reduced to any such plight as that. The regrettable thing is that just as soon as misfortune, no matter how purely natural, how entirely beyond the control of legislation, it may be, overtakes the western farmer, he sets up an outcry, and in other more conservative portions of the country we deem ourselves fortunate when that outcry does not assume at times the form of threats against the Government itself.

Mr. NORBECK. Mr. President—

Mr. BRUCE. I will ask the Senator not to interrupt me now. My own father was a farmer in Virginia for nearly 50 years, and I recall the time when the Virginia farmer was getting 40 cents a bushel for his corn and 60 cents a bushel for his wheat. Did he despair? Above all, did he break out

into threats and menaces? Did he come forward with all sorts of economic fallacies and all sorts of monstrous conceptions of the true functions of the State? He did not. He accepted his burden manfully; hoping and striving for better times.

Mr. NORBECK. Mr. President—

Mr. BRUCE. I decline to yield, if the Senator will pardon me. The Virginia farmer accepted his burdens, took them on his shoulders, and carried them like a man. What I say of the wheat and the corn and the tobacco farmer of Virginia is just as true of the cotton farmer of the South, as more than one man on this floor could readily testify; and I say nothing of the farmers of the South that I could not say of the farmers of the Middle States and the farmers of the New England States. Who ever heard of a farmer in New England raising a clamor against the Government or coming forward with vague political propositions of one sort or another, even when New England farmers by the scores, if not by the hundreds, were abandoning the hillsides of New England because they found it impossible to wrest a living from them?

At the last session of Congress over and over again it was said that the troubles of the western farmers were due to oppressive railway rates. Bill after bill was introduced in this body, some of them of the most grossly arbitrary character, to reduce railway rates in their interest. One was a bill proposing to place railway rates where they were before the great World War, utterly without regard to the tremendous social, political, and economic changes of all sorts which had been wrought by that war. I could not, perhaps, count upon the fingers of my hands the number of bills that were brought into Congress last year for the purpose of reducing railway rates, and giving in that manner relief to the farmer. Yet what was the real truth of the situation? Mr. Daniel Willard, the president of the Baltimore & Ohio Railroad Co., came before the Committee on Interstate Commerce of the Senate and testified—and his statement has never been gainsaid or denied by a single, solitary human being—that if the entire net revenue, \$132,000,000, derived by all the railroads of this country in 1923 from the carriage of agricultural products of every description were turned over exclusively to the corn and wheat farmers of this country, it would signify an increase of only 4 cents a bushel on what they had received for their corn and wheat. He testified to that before the Committee on Interstate Commerce; I repeated his statement on this floor, I challenged any member of this body to controvert it, and nobody attempted to controvert it.

The truth is that, relatively, railway rates have since the World War gone up less than anything else in this country. Why is that? It is because of the economy, the efficiency, the sagacity with which the great railway systems of the United States, headed, as they are, by the ablest men in the land, have been conducted. Speaking statistically, the fact is that while commodities in the United States generally have gone up since the World War 70 per cent above pre-war levels, railway rates have gone up only 53 per cent.

So, when the Senator from Idaho, for whom I not only entertain the profoundest feeling of respect but the warmest feeling of admiration, speaks of the agricultural problem, I ask him, What is the agricultural problem? I recall that Franklin tells a story of two men who got to disputing over a shoe, one of them contending that it was a Chinese shoe and the other that it was an English shoe, until finally a bright-witted girl inspected the thing and said, "Gentlemen, are you satisfied that it is a shoe at all?" So when I hear these vague statements about the agricultural problem I am almost disposed to ask, Is there any agricultural problem at all?

It is idle to talk about agricultural problems in general terms when nobody seems to be able to state specifically what they are. When we are told about problems we want light, real light, sunlight, or something else that has true candlepower, not that sort of light that is as faint and misleading as the feeble glow which lingers between the eyelids and the retina of the human eye when the eyelids are shut.

Last session some of the friends of the farmer contended, too, that his hard lot was due to the fact that import duties upon agricultural products were not high enough. That sort of talk went on for some time. Have any of us forgotten that as the result of it the President, exercising the powers bestowed upon him by the flexible clause of the tariff act, undertook to increase the duty on wheat, with the result that in two days it went down 12 cents a bushel, if my memory is not at fault? That was another illustration of the futility, of the utter inanity, of attempts by legislation to control the great irresistible tides of natural law.

The agricultural problem! I have heard it talked about ever since I have been here. Almost the only thing in the

nature of a specific remedy that has ever been brought to my attention, with due respect to one of the Senators of this body, was the McNary-Haugen bill which proposed to have the Government loan \$200,000,000 a year for the purpose of artificially boosting the price of wheat; that is to say, to meet the supposed requirements of a particular section of the country by imposing an enormous pecuniary burden on all the rest of it.

Mr. McNARY. Mr. President—

Mr. BRUCE. I will ask the Senator not to interrupt me now. I will yield to him a moment later.

But I am glad to say that that offspring proved to be such a difficult one to maintain that even one of its parents, the Senator from Oregon [Mr. McNARY] was driven to declare for all practical purposes that he disowned it. Now I yield to the Senator from Oregon.

Mr. McNARY. I usually enjoy the observations of the Senator from Maryland, but I do not think outside of the railroad problems that he is as conversant with agriculture as he might be. I am sure from the observation of the Senator that he has not read the so-called McNary-Haugen bill. It did not contemplate taking any money from the Treasury of the United States. Anyone who is a close student of the proposed legislation would not make an assertion of that kind. Anyone also familiar with the problem of agriculture as it affects the basic agricultural products, namely, wheat and corn, knows that the surplus fixes the price in the domestic market. Anyone without that knowledge is not capable of understanding the subject clearly. That bill only attempted to take care of the surplus thereby maintaining the domestic markets and charging back to the producers of those domestic commodities that which was necessary to absorb the loss by reason of coming in competition with the foreign markets.

Mr. BRUCE. I really can not yield to the Senator any longer. I am not proposing now to discuss the McNary-Haugen bill. I am touching on that merely collaterally.

Mr. McNARY. I would like to have the Senator yield for a further observation.

Mr. BRUCE. I am very sorry. I really can not yield to the Senator any longer. I do not care to be drawn off into a purely collateral discussion. I have stated, I believe, correctly the facts with respect to the McNary-Haugen bill, however we may differ about the true results that would flow from it.

Will not somebody, I repeat, please tell me what the agricultural problem is exactly?

Mr. ASHURST. Mr. President—

Mr. NORBECK. Does the Senator want to be told?

Mr. BRUCE. I certainly would not derive any profit if all three of the Senators now seeking to interrupt me differed in their views.

Mr. NORBECK. The Senator asked if some one would tell him. I would like to tell him.

Mr. BRUCE. I am addressing myself now to the observations of my friend the Senator from Idaho. As I said, I should like to know specifically just what the agricultural problem is and just exactly how it is proposed to be met, because it is unnecessary to assert that there is not a public man in the land, to say nothing of private individuals, who would not be more than eager to relieve the farmer of any unjust, oppressive burdens of any kind that may now rest upon him and can be lifted.

Mr. ASHURST. Will the Senator yield to me at that point? The Senator has invited an answer.

Mr. BRUCE. No; I can not really yield just now, because I commenced by saying I was going to make only a few brief observations and I always like to be as good as my word. I certainly would not be so if I undertook to answer every Member of the Senate who has risen to his feet since I have been speaking.

The PRESIDENT pro tempore. The Senator from Maryland declines to yield.

Mr. ASHURST. I would not ask it, but the Senator invited some one to tell him specifically the trouble.

Mr. BRUCE. I meant in due course of parliamentary procedure.

Mr. ASHURST. The Senator would not think it was unparliamentary to have me interrupt him with his permission?

Mr. BRUCE. No; not in the least but for the special conditions under which I am speaking. I said I intended to speak within very narrow limits. I am speaking only on the spur of the moment and giving expression to ideas which sprung into my mind as I listened with the pleasure with which I always listen to the Senator from Idaho.

So far as the Senator from Idaho disclosed his ideas as to what present agricultural grievances are, his statements took a twofold direction. The first agricultural grievance as he saw it, is that the farmer is staggering under a terrible burden of taxation. That is unquestionably so, but that is almost as true of every other class in our population.

There is little, if anything, about that state of affairs that is peculiar to the farmer. The farmer is loaded down with taxation, the merchant is loaded down with taxation, the trader is loaded down with taxation—every man and woman in the country who is in business or has any property of any sort is loaded down with taxation. So it seems to me that the Senator from Idaho has used an entirely too limited phrase when he spoke of the burden of taxation at the present time as constituting an agricultural problem.

That problem, of course, can be met only by political remedies; that is to say, by governmental frugality, economy, retrenchment, prudence, and providence; I would like to ask who in this country is in a better condition to bring about those things than the American farmer himself?

Mr. BORAH. Mr. President, the Senator keeps asking questions. Does he want an answer?

Mr. BRUCE. There are some questions which are merely rhetorical questions.

Mr. BORAH. Let me make a rhetorical reply.

Mr. BRUCE. I know the Senator could not make a reply without making it rather rhetorical.

Mr. BORAH. Am I shut off?

Mr. BRUCE. Not at all, though I ought not yield to the Senator from Idaho when I declined to yield to my friend from Arizona.

Mr. ASHURST. That is all right; I do not complain of that.

Mr. BORAH. I agree with the Senator that the tax burden is great upon all, very heavy upon all, but all the more reason why every Senator here should be interested in relieving the situation, if possible. I agree also with the proposition that the farmer must be helpful in relieving that burden. But certainly those who are here in the Senate ought to be permitted to voice the condition of the farmer and the desire of the farmer as well as the Senators who wish to voice the condition of the railroads and the manufacturers without being charged with being demagogic.

Mr. BRUCE. I expressly refrained from charging that. The Senator is not exactly fair, to say nothing of being generous, because I began my remarks by declaring that I knew that the Senator from Idaho at any rate was incapable of sustaining a demagogic relation to such a discussion as this.

Mr. BORAH. I am not referring to myself alone, but every time the agricultural question comes into the Senate certain Senators here think it is demagogic, the newspapers treat it generally so, and at the same time Senators may stand here for weeks and weeks and plead for protection for the manufacturing interests, for the railroad interests, and so forth, and they are referred to as statesmen. Why is it that the interests of the one cause Senators to be designated as demagogues and the interests of others when expressed cause them to be designated, as they generally are, as statesmen?

Mr. BRUCE. I do not admit the correctness of that statement at all. I should be only too delighted to be told in just what manner my vote might promote the interests of the farmer. Just point out to me clearly and specifically how my vote could help the farmer and I would be quicker to go to his side than to that of any other individual in the United States.

Mr. BORAH. I think I can tell the Senator how his vote would help the farmer, but I know just exactly what he would do. He would answer by saying that it would not help the farmer.

Mr. BRUCE. That would depend on how sound the Senator's proposition might be.

Mr. BORAH. Exactly.

Mr. BRUCE. If the Senator should come forward and say that the farmer would be benefited by the enactment of the McNary-Haugen bill, I would say, "Oh, no! No relief is to be found in that proposition." If the Senator were to come forward and say that it would be promoted by a drastic cut in railroad rates, my reply would be that that might give him temporary relief, but not lasting relief, because the railroads, or many of them, would pass into the hands of receivers and his last estate would then be worse than his first. So with the tariff. Of course, as a Democrat it would be impossible for me to harbor the conviction for one moment that any farmer in the country could possibly be aided by the tariff.

Mr. ASHURST. One of the cardinal principles of Thomas Jefferson and Andrew Jackson was a judicious tariff.

Mr. BRUCE. Some of my Democratic colleagues are drifting so far away from me as respects all the old shore lights of the Democratic faith that I hardly know how to answer them. It is impossible for me to think of the Senator from Arizona as being a protectionist. That is impossible.

Mr. ASHURST. The Senator from Maryland will permit me to say that under the philosophy of a protective tariff as applied by the Republican Party, it is indeed monstrous, but a judicious tariff such as Jackson and such as Jefferson demanded would be of benefit to the farmer. My State and the States of the Southwest produce cattle. The prime by-product is the hide. The hide is on the free list. What are the benefits to the manufacturer whose product, the shoe, is protected? Free trade for the farmer and a high protective tariff for the manufacturer. If we are to have free trade, let us have it all along the line. If we are to have a protective tariff, let us have it all along the line. We cry out against the injustice of being required to produce hides in competition with Mexico, Chile, and the Argentine whilst the leather goods of the manufacturer are protected. Would not the Senator's vote for a tariff on hides help the cattle raiser?

Mr. BRUCE. Now, Mr. President, I am not going to be drawn off into that collateral issue either. [Laughter.]

Mr. ASHURST. No; the Senator is like Benjamin Franklin, whom he quotes so much. When they were discussing the Declaration of Independence Benjamin Franklin observed Thomas Jefferson writhing often, and said, "You writhe, sir; you writhe." "Yes," said Jefferson, "it is painful to see the work of weeks, to which we have applied our best efforts, cut to pieces." Franklin said in reply, "I never produce anything that is to be revised by other men." Possibly the Senator is like Franklin—he does not produce anything to be revised by somebody else.

Mr. BRUCE. No; the incident that I recall in connection with the Declaration of Independence from which we Democrats would derive the most instruction now is that related of John Hancock and Benjamin Franklin. Hancock made the remark to Franklin that they must all hang together, and Franklin replied by saying, "Yes; for if we do not hang together we shall certainly hang separately." So I say with reference to the issue of protection, if any Democrat is going to desert the old traditional principles of the Democratic Party upon that subject, I do not see that there will be much hope of effective unity on our part in the future. However, I am not going to be drawn off into that field. I am simply, as everybody who knows me understands, an old-fashioned Jeffersonian Democrat, and there is not one of the cardinal principles of the Democratic Party to which I do not unqualifiedly subscribe.

Mr. ASHURST. The Senator from Maryland is a historian.

Mr. BRUCE. I do not know whether I am or not.

Mr. ASHURST. Very well, I will now test whether or not the Senator is. Does the Senator deny that Thomas Jefferson was for a judicious protective tariff?

Mr. BRUCE. Yes; I do deny it. There are some observations of Jefferson, however, from which that inference might be tortured.

Mr. ASHURST. In 1824 a tariff bill was before the United States Senate, Jackson and Van Buren then being Members of the Senate. By the way, Jackson resigned from the Senate shortly afterwards so that his tariff votes might not embarrass him in the coming campaign in 1828. At that time Jackson announced, "I am ready to vote for a judicious tariff."

Mr. BRUCE. I will say to the Senator that I can not yield any further. He is welcome to embrace the entire Republican doctrine of protection, so far as I am concerned.

Mr. ASHURST. I do not mean to do that.

Mr. BRUCE. I never expect to do that.

The PRESIDENT pro tempore. The Chair desires to remind the Senate of the rule which forbids a Senator speaking more than twice on the same subject upon the same day, and the Chair will feel constrained to enforce that rule.

Mr. BRUCE. Mr. President, I have been interrupted so often that I hardly feel that I have yet been allowed to speak once.

The PRESIDENT pro tempore. The Senator from Maryland has spoken five times upon the same subject upon this day.

Mr. OWEN. Mr. President—

Mr. BRUCE. May I say to the President pro tempore that I have not taken my seat at any time that I know of?

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Oklahoma?

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Utah will state his inquiry.

Mr. KING. I do not understand that the Chair is applying the rule now to the Senator from Maryland?

The PRESIDENT pro tempore. The Chair is not applying the rule to the Senator from Maryland at this time. He is simply reminding the Senator that there is a rule of the kind to which the Chair has referred.

Mr. KING. And the Chair's suggestion is merely an admonition that if the Senator from Maryland further yields he will lose the floor?

Mr. BRUCE. Mr. President, I had almost concluded my remarks; I have very little more to say.

What I was going on to say was that it seems to me that the remedy for the state of things that the Senator from Idaho [Mr. BORAH] has been pointing out, so far as taxation is concerned, is in the hands of the farmer himself. The Senator from Idaho called attention to the fact that the tax bill of the farmer has gone up, if my recollection is correct, from \$800,000,000 to \$1,000,000,000, but the general expenses of the Government have gone up within the last 10 years from a billion dollars to upward of three billion dollars. It seems to me peculiarly incumbent upon the farmers of the country to correct that state of things. They are not only the most numerous but the most powerful element of our voting population. Their fate, so far as it is controlled by political agencies, is therefore largely in their own hands. If any Member of this body, whether it be myself or any other Senator, or any other legislative representative or elected official, is faithless to the farmer's interests, is unwilling to relieve him of the burden of taxation by proper reductions in national or State or local expenditures, all he has to do is to exercise his political power and to insist that that burden shall be so reduced, that the Government shall be more frugal, shall be more economical, shall be more efficient, shall not be weighted down as it now is by bureaucratic creations of one sort or another, or by the results of one set of wasteful paternalistic ideas or another. It seems to me that there is no reason why a counteradministrative process should not be set up by the farmer and why, instead of the expenses of the Government mounting to upward of three billion dollars a year, they should not be reduced to two billion dollars a year, or one billion dollars a year, or a billion and a half dollars a year. So, without any fear of successful contradiction, I say that, so far as a reduction of taxes is concerned, that can only be brought about by political means, by the exercise of political power, by political insistence, and that the farmer is in a better position to exercise that power, to assert that insistence, than is any other man in our land.

Just one word with regard to governmental schemes of marketing for the benefit of the farmer, for that was the only thing in the nature of a specific remedial suggestion that was thrown out by the Senator from Idaho, as I understood him. He did not develop the means by which the Government could intervene to provide marketing advantages for the farmer; but, as the Senator intimated, it perhaps did not suit his convenience or his sense of timeliness to do that just now.

I say that the matter of marketing the products of the farmer to advantage is also mainly in the hands of the farmer himself. Let me give an illustration of what I mean, for there is not a man in this country, I am sure, who is more sincerely in sympathy with the farmer than am I, or more disposed than am I to do whatever can be done for the purpose of bettering his lot in life in every respect. Some months ago I received a circular from a cooperative farmers' marketing association. They offered me as a householder all the usual farm products at prices distinctly below the market levels at which I had been purchasing them in Washington. Of course, I am not going to mention the region in which the members of this cooperative farmers' association live. Partly for the purpose of securing things that I needed for my own table at lower prices, but also, I can truly say, from a genuine desire to promote a farmer's venture, I wrote to the association and said I would gladly secure all my farm supplies of every description from them. I did get my farm supplies of every description from them, and, notwithstanding the disappointment that I have suffered and of which I am about to speak, I am still continuing to get my supplies from them, and ultimately I hope to my and their mutual satisfaction. But what was my experience? I found that nothing was standardized. One day, for instance, I would receive chickens as tender as could be desired and some dozens of eggs as fresh as could possibly be asked for, and then later I would receive chickens too tough to eat or eggs that were addled.

What I received from day to day of course varied according to the skill and good judgment or good management of the particular farmer or farmers from which the particular goods that came to me on that particular day were obtained by the association. No sort of average level of excellence was maintained. Of course I wrote kindly, friendly letters to the association, calling attention to defects in things that they had shipped to me, and I also had occasion to call their attention to the fact that apparently there was no regularity in their shipments. The packages did not come forward promptly; I could not count on just when they would be received; and all the fault in this respect I am sure was not that of the railroads.

Now, suppose these same farmers had exhibited the requisite degree of good management; had standardized their products; had been as careful as is the ordinary poulterer or as is the ordinary butcher in a city market to see that their customer enjoyed a thoroughly businesslike service, not only would I have been delighted to continue dealing with them, but of course I should have taken occasion to herald far and wide the cheapness and merits of their products.

So what the farmer needs to do, even so far as cooperative marketing is concerned, is not so much to come to the Government and invoke its aid as himself to organize his cooperative business on a better basis, to exercise a higher measure of good judgment, to display a greater amount of painstaking and skillful management, to be more punctual and prompt; in other words, to prove himself a better business man in every respect.

Mr. ASHURST. Mr. President, will the Senator yield to me in order that I may make a correction in my remarks?

Mr. BRUCE. I yield.

Mr. ASHURST. I said erroneously that shoes were all protected. I wish to correct the statement. Certain Japanese sandals and shoes with cloth tops are on the protected list. When I said "shoes" I had in mind some leatherware, such as some harness and other leather goods that the farmer must use. It is true that shoes are on the free list, except Japanese sandals and shoes with cloth tops. I thought that I ought to correct that error.

Mr. BRUCE. I confess I never would have been able to expose the error. The Senator would have been in the position in which Archbishop Wateley said on one occasion that the boys of England were. Somebody said to the archbishop, "The girls in England are miserably educated." "Yes," the archbishop replied, "but the boys will never find it out." So I should never have detected the error of my friend from Arizona.

Mr. ASHURST. Nevertheless, I thank the Senator for permitting me to make the correction.

Mr. BRUCE. Mr. President, one word in conclusion, which I will address particularly to the Senator from Idaho. To-day he gave us an interesting statement of the reasons why he thought that agricultural relief would still be timely. Let me say that I trust that the next time he takes the floor he will in his clear—I had almost said in his inimitable way—point out to us the specific methods by which anything that is untoward or unfortunate in the condition of the farmer at the present time can be corrected.

MUSCLE SHOALS

The Senate resumed the consideration of the bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam-power plant to be located and constructed at or near Lock and Dam No. 17, on the Black Warrior River, Ala., with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

Mr. WILLIS. Mr. President, in the discussion which has been had here, and which has ranged from tariff duties which do not exist on shoes, and harness, and saddlery, to the very evident conflicts of opinion on the tariff on the other side of the aisle, which do exist, I hope it will not be considered out of order if I actually submit an observation on the pending measure.

I think it would be interesting to know what is the attitude of farmers and farm organizations touching the Muscle Shoals proposition. I have here a letter from two real Ohio farmers.

One of them is L. J. Taber, the master of the National Grange, and the other is O. E. Bradfute, president of the American Farm Bureau. I know them both. They are high grade American farmers. They express some very illuminating opinions touching the Muscle Shoals proposition. I ask unanimous consent to have their letters printed in the Record.

Mr. DILL. Mr. President, I would like to ask whether or not the Senator knows if the master of the Grange is representing the opinion of a majority of the State granges which are under the National Grange?

Mr. WILLIS. All I know about it is that I do know that Mr. L. J. Taber is a man of the very highest honor, and I would rely upon any representation he might make in that respect. The letter as printed in the Record will speak for itself.

Mr. DILL. I am not questioning the position of Mr. Taber, but I think the statement is a statement by him as master and not as a representative of the great Grange organizations of the country having met and considered it.

Mr. WILLIS. I am content to let the letter speak for itself.

The PRESIDENT pro tempore. Is there objection to printing the letter in the Record? The Chair hears none, and it is so ordered.

The letter is as follows:

THE NATIONAL GRANGE,
AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., January 12, 1925.

Senator FRANK B. WILLIS,

United States Senate, Washington, D. C.

DEAR SENATOR: In 1916 Congress appropriated \$20,000,000 for the express purpose of developing an air nitrate industry in this country "for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products." The methods, location, operation, and other details were intrusted to the President of the United States.

This action, given an impetus and importance by our entry into the World War, resulted in the Muscle Shoals development. The problem at Muscle Shoals is essentially a nitrogen problem and not a water-power problem. If we have another long delay which would warrant the sale or lease of the power to the power companies we may confidently expect that the fertilizer purposes of the Muscle Shoals project will be forever lost.

For six years the Nation has waited in vain for Congress to adopt a policy which would make the project operative. Further delay is intolerable. With the completion of the project close at hand definite action is called for.

It is time to invest some one with the specific authority and responsibility to make Muscle Shoals a national asset rather than a local power proposition. President Coolidge in a message to Congress states: "I should favor a sale of this property, or a long-time lease, under rigid guaranties of commercial nitrogen production at reasonable prices for agricultural use." We have entire confidence in the integrity, purpose, and ability of the President under the authority given him in the Underwood bill to secure the results agriculture has so long sought at Muscle Shoals.

In view of the facts set forth above and the further fact that the failure of the Underwood bill indefinitely postpones action on this important question we urge the passage of the Underwood bill.

L. J. TABER,
Master National Grange.
O. E. BRADFUTE,
President American Farm Bureau.

Mr. NORRIS. Mr. President, I ask unanimous consent that the Senate shall vote on the pending amendment at not later than 2 o'clock to-morrow, and that in the meantime all speeches shall be limited to 10 minutes. I will modify the request if the Senator from Washington [Mr. Jones] wants to have it modified, because it is his amendment that is pending, and he has not yet been able to get the floor to speak on it.

Mr. JONES of Washington. So far as the limit of speeches to 10 minutes is concerned, that is entirely satisfactory to me. I do not expect to take more than that much time, and I assume that everyone who wants to be heard can speak before 2 o'clock. I had not thought about that limitation, but I have no objection to it.

Mr. DILL. If this is to be a unanimous-consent agreement as to the time to vote, it seems to me there ought to be a quorum of the Senate present.

Mr. NORRIS. That is, to vote on the pending amendment and not on the bill.

Mr. DILL. It is on a very important amendment. The other evening some of us left the Senate, and afterwards an agreement was made to vote on the Underwood amendment. Some Sena-

tors have left here this evening, and I think that is not fair to them.

Mr. NORRIS. I will withdraw the request, but give notice now that I shall present the request when the Senate convenes to-morrow.

Mr. DILL. I am perfectly willing to have it considered now if there is a quorum call, but I object without having a quorum present.

Mr. NORRIS. I doubt if we could get a quorum at this time. The PRESIDENT pro tempore. The Senator from Nebraska withdraws his request.

DIGEST OF INCOME TAX LAWS

Mr. JONES of New Mexico. Mr. President, I have here a digest of certain income tax laws prepared under the direction of the Legislative Reference Service of the Library of Congress, which I ask may be printed as a public document. Before the publication and at the request of the chairman of the Committee on Printing I ask that it be now referred to that committee for its report.

The PRESIDENT pro tempore. The Senator from New Mexico asks unanimous consent that at this time the papers which he sends to the desk may be referred to the Committee on Printing. Without objection, they will be so referred.

IRRIGATION AND RECLAMATION

Mr. McNARY. Mr. President, at the irrigation congress held at Klamath Falls, Oreg., in October of last year a very interesting discussion was presented by the president of the congress, James M. Kyle, of Oregon, on the subject "Irrigation—Past, Present, and Future." I ask unanimous consent to have it printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

The address is as follows:

IRRIGATION—PAST, PRESENT, AND FUTURE

There is no more fitting place than this city to hold this session of the Oregon Irrigation Congress.

Our Federal Government has started under Dr. Hubert Work, Secretary of the Interior, the new reclamation era. He appointed a special advisory committee, consisting of the most able men he could find in the United States. They have worked over six months and have made the most complete report on reclamation that has ever been made.

He has placed at the head of the Reclamation Service the most able man in that line in the world, namely, Dr. Elwood Mead, who has surrounded himself with such able assistants as Mr. George C. Kreutzer as Director of Farm Economics, and others who know the game and will work for the building up of farm homes, as was intended when the act was first passed by Congress.

"An empire awakening" is sure a fitting slogan for this section of Oregon, as your fertile fields and plains denote that there is room to make many happy homes; and if you will all join hands with Mr. George C. Kreutzer and the Reclamation Service and see to it that your sage-brush lands are sold to settlers at what the land is worth without water, then the settler will come in and buy the land, improve it, build a home, and pay the Government for bringing the water to the land.

As Doctor Mead says, and he knows, as does every one who has studied it:

"We must know what water is worth;

"We must know what the human unit is worth, and whether the man who goes on the land has not only a little capital but the energy and willingness to stick;

"We must know what best can be produced and where the markets are;

"We must know the cause of success;

"We must know the explanation of failure. Solvency can be better assured than ever in the past by better selection of settlers, better stock, better tools, more scientific methods, more attention to distribution and marketing, and more of the spirit of independence in people on the land."

The year just passed has been a very active one for your president, as he has been called on many times to help out this and that project, which he has done to the best of his ability.

First, he was called by the Baker project to go to Washington and help get the reclamation game started for Oregon. This was at the request of our delegation in Washington, and I want to say right here and now that no State in the Union has any better or as good a delegation as has Oregon—WATKINS, HAWLEY, SINNOTT, McNARY, and STANFIELD are united in fighting the battles of the State of Oregon. Senator McNARY, as chairman of the Reclamation Committee in the Senate, and "Nick" SINNOTT, as ranking member of the same committee in the House, hold positions of strategic importance to the

State of Oregon, and with the entire delegation working in harmony as a unit, Oregon has a great deal to be grateful for.

I was told many times by delegations from other States that if they had a delegation like we had in Oregon, that they could get their projects over. That our delegation worked together in harmony for the good of the State, whereas theirs did not. That is the reason that Oregon is getting started on one of the biggest reclamation programs that any State ever put over.

Now, we must all work together and get behind and push those projects that the Government is ready to build, and because it is not the one that you want you must not knock, as some of the fellows did last winter, because you only delay the day that you will get the one that you want.

As your president I have worked to line up as many districts and sections of the State as possible behind the Deschutes projects, and get the State to guarantee the interest on their bonds, providing they come in with a good contract; and such men as Judge Wallace and Harry Gard tell me that that is the only kind that they want the State to get behind.

This project is a good one; it is close to the market, is on a highway, has its schools and churches built, is situated on two railroads, can be cheaply built compared to most projects, and has over 600 landowners. The sagebrush has been cleared and the land tamed, so that as soon as water is available one can go on it and raise a crop. I am informed that the most of the land is signed up, so that the surplus land will sell for a price that it is worth now without the water. This being the case there should be no difficulty in settling it.

If you want the taxes of this State reduced you have got to get our idle land producing, for it takes just as much money to build a good road past a piece of land that is covered with sagebrush as it does the same piece of land in alfalfa or potatoes.

On the project that I live on, when I went there it was on the assessment rolls at \$6,000, now the land alone is on the rolls of Umatilla County for \$750,000, and the improvements, with the personal property and public utilities, makes it over \$1,250,000. Does that help to reduce the taxes of the balance of the State? I say Yes! In our county some sagebrush land that could be irrigated is paying 8 cents per acre tax, while land in alfalfa is paying as high as \$3 per acre. I ask you does that pay the State? I say it does!

With the laws that are on the statute books of our State the commission that certifies the bonds of an irrigation district have charge of the construction, and the district can not make a contract for any amount over \$5,000. In this way they know just what is being done and how the money is being spent. If it goes wrong they have the power to stop it and see that the thing is done right.

The great trouble in our irrigation projects in the past has been that in some cases the construction was not up to standard, but the greatest trouble has been too much speculation on land. Sell the land to the settler at the price that it is worth. Give him time to pay for it, but before any project is passed on see that the soil is good, that there is plenty of water available, and that the settler has the right kind of guidance, as to what the land will produce, and where the market is. Let the State as a whole get behind the project and tell the truth about it.

We have one of the greatest States in the Union, and I am sorry to say that we will have to sell it to some of our own people before we try to sell it to outsiders; and the time is here now when those of us that are interested in developing this State have got to take off their coats and "go to it" and put some of these mossbacks out of commission, and they do not all live in the Willamette Valley. You have some of them right here, we have some of them in our county, and, in fact, I think there is some of them in every county.

This great State is yours, and upon its future development depends the one thing, "we must all put a willing shoulder to the wheel and help."

I am now going to quote from Dr. Elwood Mead, the leading authority on this subject, in which he says:

"While water charges must in the end come from irrigated crops, irrigation works that are not followed promptly by irrigated agriculture are a financial burden to the landowners. Long delayed agricultural development has wrecked more of the enterprises than all other causes combined. The costlier the work the more important it is that this fact be recognized. Neglect to include plans and methods for bringing land promptly under irrigation culture is to neglect a fundamental condition of success. Hereafter more attention must be given as to where and how money needed in agricultural development is to be obtained; where and how settlers are to be secured; and how the settlers must be aided and directed to enable them to use their money, effort, and time to the best advantage. The acre cost of water rights under past public notices has varied from \$14 to \$118, with only three over \$100. New projects under consideration vary from \$97 to \$157. This is for the canals and reservoirs only. In order to use the water and to create homes, land must

be leveled, houses, barns, and fences built. These, with farm equipment, will add close to \$100 per acre to the cost of the farm.

"In order that the farmers may succeed, a practical business superintendent, who has a knowledge of farm conditions should be employed to plan settlement and advise settlers. His work should begin before settlement, in ascertaining where the things needed in farm development can be acquired. This would include horses, cows, and other livestock. He could secure plans and estimates for houses and barns, so that when settlers arrive they can be saved time and labor and be helped to use their money to the best advantage. The land should be sold to settlers on terms that would make it a commercial undertaking. The interest recommended is 5 per cent, and the yearly payments on principal 1 per cent. With such yearly payments the settler could pay for his farm in 34½ years, and with these small payments he would be relieved from the danger of mortgage foreclosures and would be each year adding to his equity in the property.

"Farms should be valued according to location, quality of soil, and ease or difficulty of irrigation. A map should be prepared which would show the location of farms, valuation of each, and such information as would enable intending settlers who have not seen the area to know the reason for these prices.

"There should be a capital requirement which would vary with the size of the farm. It should be a percentage of the cost of the farm and its development, and for a 40-acre farm it should be not less than \$1,500. Farm laborers could be accepted without any capital, provided they could make the initial payment on the land and furnish 40 per cent of the cost of their dwellings and other necessary improvements.

"The first need of the settler is a house. It is a permanent improvement, and if he can be aided in its construction by advancing 60 per cent of the cost, requiring the settler to pay in cash 40 per cent, it will leave money to be spent on things like livestock and farm implements. The advantage of this kind of advances has been tested out in so many countries that there is nothing experimental about it. It is far safer than the investment in canals, and it has a greater social and economic value. Under the State land settlement law of California the board can advance for the improvement and equipment of a farm up to \$3,000. This has proven the best part of the whole scheme and is the one which has enabled settlers to stay on the land and meet their payments to the State.

"Money advanced for farm improvements should pay 5 per cent interest, and the period of repayment should vary from 3 to 20 years. A 20-year loan on permanent improvements like a house is safe, being covered by insurance, and yearly payments of 3 per cent on the principal, making a total of 8 per cent, will pay off the debt in 20 years."

There is much food for thought in what Doctor Mead has to say, and it might be well to remind you now that our forests may be cut and our mines dug up, but the reclamation of an area adds to the productive wealth of the Nation for all time. And consider this also: It is estimated that by the year 1950, only 25 years hence, that the population of our country will be 150,000,000 people, and it is absolutely necessary that we add to the farm-producing qualities of our lands that we may feed this additional 40,000,000 mouths.

With irrigation comes the electrical power, and we have got to develop the power interests in connection with irrigation that the farmer and his family that goes out on a project will have the power for operating his machinery and the housewife the conveniences that will relieve the excess burden. With the improvement of conditions in Europe will come the greatest immigration in history to this great Northwest, and we should be ready to meet it and take care of it as it comes.

ADDRESSES BY MR. DEPEW AND VISCOUNT CECIL

Mr. SWANSON. Mr. President, at the recent Pilgrims' Society dinner held in New York there were addresses made by Hon. Chauncey M. Depew and Viscount Cecil, both of which alluded to President Wilson in very complimentary terms. I ask unanimous consent to have the addresses printed in the RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.
The addresses are as follows:

SPEECHES MADE HERE BY DEPEW AND LORD CECIL—BRITISH VISITOR'S EFFORTS IN BEHALF OF PEACE ARE SET FORTH—VISCOUNT DISCUSSES IDEALS—COOPERATION BETWEEN UNITED STATES AND BRITAIN URGED BY HIM AT PILGRIMS' DINNER

So many requests have been received by the Sun that the speeches of Viscount Cecil and Chauncey M. Depew at the Pilgrims' Society dinner on Friday evening be printed in full that they are herewith reproduced:

MR. DEPEW'S SPEECH

Lord Cecil, fellow Pilgrims, ladies, and gentlemen, this is our twenty-first year of the Pilgrim Society of the United States. During that period we have entertained representatives of every branch of the activities of Great Britain and of her self-governing colonies, but there never has been a period when it was so necessary that the purposes for which this society and the English society labor should be carried out as to-day.

During that period covering those two decades we have entertained prime ministers, diplomats of all kinds, admirals, generals, and representatives of the literature, and all of them have contributed to the great object which we have at heart. It was a thrilling period when we had among us those who came over representing the other side during the Great War; it was a thrilling time when they came here to that great conference called by President Harding to settle matters in the Pacific and for disarmament as the commencement of a great peace, and it was a thrilling thing that the greatest contributor to the success of the Harding movement was Lord Balfour and the English delegation. [Applause.]

It has seemed as if this movement was in abeyance until some patriotic gentleman organized what is known as the Wilson Foundation. It was organized for the purpose of carrying out the ideas for which Mr. Wilson gave his life and which was his ideal. [Applause.]

Happily, they arranged that a prize should be awarded to the statesman who was doing the most for peace in the world, and our meeting to-night—while all others have been for some other purpose, some ulterior purpose, and for many purposes—is for one purpose only, and that is peace! [Applause.]

DECISION IS UNANIMOUS

And the gentleman who managed this Wilson Foundation appointed a representative committee who drew the competition out to the statesmen and to the people of all countries in the effort to find out who had done most to promote peace since the Great War; and their decision, happily, was unanimous, and it was in favor of our guest to-night as the one man who had done more than anybody else to promote the peace of the world. [Applause.]

Lord Cecil belongs to a family which has been prominent in English affairs and in the ruling of that country for a thousand years, and during the whole of that period there never has been a year when some Cecil hasn't been either Prime Minister or in Parliament doing his best.

I remember on one of my visits to England our minister of that day took me to call upon the Prime Minister, Lord Salisbury, father of our guest, who was then Prime Minister. Like every American who visits England, we have a different sensation at a certain period for certain times and certain men than do the visitors of other countries. When we come across any event or any individual who represents the period prior to the settlement of this country in our colonial days, then we are part of it and we are immensely interested. And so when I saw Lord Salisbury in foreign office my imagination immediately visualized Lord Burleigh, the first of the Cecils in public life, the great minister of the great Queen Elizabeth, who with Queen Elizabeth made that a period which stands out as one of the greatest in the history of the English-speaking peoples of the world. And I recalled then at once that that brought up Shakespeare; that brought out Lord Bacon; subsequently that brought out Milton, who to-day are the luminaries of our literature.

MANY EFFORTS FOR UNITY

Well, my friends, many events, many efforts have been made during all the period since the disturbance which separated the United States from Great Britain, to bring about this idealization of a union of the English-speaking peoples. The first missionary was Washington Irving, and he succeeded in extorting against the Edinburgh reviewers the verdict of Walter Scott, that an American had written a book which some Englishmen would read. [Laughter.]

Subsequently we had Longfellow, who brought out the Indian romances; then we had Fenimore Cooper, who brought out the "Leatherstocking" tales. Now, the jingle of Longfellow captured the imagination of the British schoolboy and the British schoolgirl, and it could be recited and was recited, but it had this unfortunate result; that it brought up a whole generation of Englishmen to believe that the Americans were red Indians. [Laughter.]

A friend of mine, calling on an English relative up on the coast, found there an old lady who said to him, "What a fortunate thing for us that that stormy ocean is there! But for that we might be massacred in our beds by those North American savages!" [Laughter.]

WHEN MATTHEW ARNOLD CAME

Well, my friends, then we had for the purpose of promoting this international amity, the invasion of the English lecturer. [Laughter.] Now, there have been a great many different opinions in regard to the benefit, or otherwise, of the English lecturer. He brought his mis-

sion here; I heard him generally, and I came to the conclusion that it was a good mission and it was a very good thing that he came. Among the best of them, and the best that was brought here, was by Matthew Arnold. Matthew Arnold came to me and said, "I wish you would look over my itinerary. I have asked my director of my American tour, as I am an Oxford professor and talk on scholastic subjects, that he should take me only to university towns."

"Well," I said, "Mr. Arnold, he evidently has mistaken your instruction, for in the first town you go to the only university is an insane asylum." [Laughter.]

And I said, "The second town you will go to, the only college, is an inebriate home." [Laughter.] "But Mr. Arnold, in our country, outside of the little thing which puts them out or puts them in, they are a very intelligent people." [Laughter.]

We can not avoid, on a discussion of this kind or a sentiment like this, recalling that great meeting which did bring the English-speaking peoples together, and that was the conference at Ghent a hundred and nine years ago. Ghent was selected because it was supposed to be the only neutral place in the world [laughter], and the burgomaster of Ghent demonstrated that it was a proper selection for he gave a dinner to the American commissioners, didn't invite the English commissioners, and in his toast said, "I hope you will win over those British." [Laughter.]

JOHN QUINCY ADAMS'S TOAST

When the conference was happily completed and the treaty was made and signed, then the American commissioners gave a dinner to their British colleagues, and the toast of John Quincy Adams, made in the spirit in which such toasts are made, nobody believing it—either he who possesses it or those who receive it—was: "May this be the beginning of a harmony which may never end." It has lasted for 109 years. [Applause.]

Well, I have studied that document for the purpose of seeing what there was in it that should have made it so eternal, while all other treaties during that period, between all countries, have been broken over and over again, and I think I have solved the mystery—it is because in that treaty there is no mention, there is no reference in any way, there is no settlement in any manner of the things which had been fought about in the war. [Laughter.]

Well, my friends, we have done with ancient history, though it is very illuminating, on the subject which is before us, but since the world with us begins in 1917—prior to that it is all ancient history—in 1917 the United States entered the war, but prior to that we had a most difficult situation. The United States was the great merchant of the world. The debts which are owing to us now—these great debts are a proof of what a great merchant we were and how tremendous were our sales. And I want to say right here and now that the one thing which has contributed most to the union of the English-speaking peoples and to their looking at things in a horizontal way and in a friendly way is the manner in which Great Britain has met her debt and proposes to pay it. [Applause.]

REGRETS IRRITATION

And I want to say also, though it does not pertain particularly to this audience or to this crowd, that I regret the irritation which has arisen in the last few days between the United States and France. We have too many sentimental obligations between France and the United States, too many things of romance running from Lafayette to Jusserand, for ever these two countries to fall out, and I believe France is destined to do her part in all that is required from an honorable Government. [Applause.]

During the war the cabinet of Great Britain had the different duties assigned them, of the war, of the munitions, of the navy, and what not, but Lord Cecil was appointed to a new mission in the cabinet which had never been held before. It was the minister of blockade. It had no defined duties; it was all in the brain of the minister how he would regard it. The situation was exceedingly difficult, because the United States was making these great sales and manufacturing these great munitions; they were contraband of war, and Great Britain had established a blockade for the purpose of their reaching other countries while they were buying from the Allies themselves. But Holland, Norway, Sweden, and Spain were neutral, and they were full of enterprising gentlemen who wanted to profiteer by buying from the United States and reselling to Germany.

Now, it was the mission of Lord Cecil to prevent that as far as he could without offending the United States. It was a very difficult position, one requiring wonderful tact and wonderful diplomacy, because the Allies did not want to offend the United States. When the United States did come in there was no irritation on account of the contraband of war, no irritation on account of the activities of the minister of blockade. On the contrary, he had so skillfully managed his mission, watching the United States, which was his only duty, that he minimized our sales without offending the salesmen. [Laughter and applause.]

FEARED CONFERENCE

Well, gentlemen, since the war, after the war was over, then came what an ex-Prime Minister of England said to me was more serious

than the war itself. He said, "I know we will come out all right now that the United States has joined us, but I do not know, I am afraid of what will happen at the peace conference. All other peace conferences have failed in fulfilling their settlement of the seed of war."

This conference, when it met, unhappily met the predictions of that English statesman because the old jealousies were there, the old desires were there for conquest, the old anxieties were there for more territory, more property, more things to be imposed upon the enemy. There was only one force in that convention among those delegates which was on the other side, and that was because that force represented the sentiment of the American people. There was one commissioner who did not want any indemnities, one commissioner who did not want to impose any burdens, one commissioner who wanted only to carry out the ideals which should make for permanent peace, for justice, for civilization, and liberty, and that was Woodrow Wilson! [Applause.]

BACKED WILSON

And among the representatives of other countries there was only one commissioner, and if he had had the dominant power he would have acted with Wilson, and the thing would have been different for the world, and that was Viscount Cecil of Chelwood. [Applause.]

And carrying out his ideas, having joined the League of Nations, it is the unanimous testimony, evidenced by this prize which has been given, that of all the statesmen who have taken an active part for peace and settlement and to prevent chaos and to bring something out of chaos, the one statesman who has done the most and is doing the most is our guest to-night, Lord Cecil.

Well, my friends, we are here for the purpose of doing him honor; we are here for the purpose, as far as we can, of promoting peace. A well-known publicist, who understands the situation over there better than anybody that I know, said, "The whole future of peace in Europe depends upon the common action, the common sentiment, and the common purposes of the English-speaking peoples of the world." [Applause.]

Well, my friends, we have got to bring about, if chaos is to be avoided, economic conditions, and they can only be had by peace; we have got to bring about reparations, and they can only be had by peace; we have got to bring about a better understanding between the different new nations of the world, and they can be only brought about by peace; we have got to bring about that commerce which in its interchanges enables capital and labor to be employed for the benefit and the salvation of the countries where they all live and where they work.

I want to introduce to you, ladies and gentlemen, Viscount Cecil of Chelwood.

VISCOUNT CECIL'S ADDRESS

Mr. Depew, ladies, and gentlemen, my first duty is obviously to thank your chairman for the very kind and flattering things that he has said of me. I was very grateful to him for everything that he said. I admit that there was one moment in which I felt a certain qualm of nervousness when he began talking about lecturers from the other side of the Atlantic. [Laughter.] I did not quite know how that was going to end. [Laughter.] But, fortunately, his courtesy got the better of his sincerity. [Laughter.]

Well, I thank you most heartily, and I am deeply grateful to you for being kind enough to entertain me to-night at dinner. The occasion, joyful as it is, has an element of sadness for me, for it reminds me that this is my last evening in the United States. I deeply regret it. I deeply regret that my stay has been so short. I deeply regret it for many, many reasons, but among them because it has made it impossible for me to accept the invitations which I have received from other parts of your great country, and particularly because it has been impossible for me to visit the British Dominion of Canada, which I should have very dearly liked to have gone to if I could have possibly managed it. I have the greatest possible warmest feeling for my Canadian fellow subjects and for their great kindness to me on the last occasion when I visited them.

But it would be wrong for me in saying that not to thank you once again from the very bottom of my heart for your marvelous courtesy and consideration to me—the courtesy and consideration which you always show to every guest who comes to your country.

HOSPITABLE AMERICA

You know as well as I do that American hospitality is proverbial throughout the world. Indeed, I was thinking to-day that if you followed the custom that prevails in some countries and an adjective were given to you, like you speak of "La Belle" France or "Merry" England, I think you would have to speak of "Hospitable" America. It is only for one reason that I do not describe it as "Princely," and that is for fear of unduly flattering princes. [Laughter.]

And really, if I may be allowed to say so without impertinence, it isn't only hospitality; it comes, if I may venture to say so, from the genuine kindness of your hearts. I like to think that that great quality is more easily displayed in the case of an Englishman than of any other guest. I remember last year, when I had the pleasure of being

here, I had the honor of being received by your late President, Mr. Harding, and he received me with that cordial geniality which was well known in his case, and was good enough to ask me how I was getting on and how I had been received, and I told him that I couldn't exaggerate the kindness which I had met with on all hands; and he gave other reasons, but he said, "After all, one great reason for that is that you are an Englishman." And I must say that if he had searched the whole language for a compliment or a saying which would have pleased me, he could not have found one better than those few words.

COOLIDGE NOTIFIED

I had the great honor this morning of being received by your present President, Mr. Coolidge, and in the course of conversation he, too, expressed his great gratification at the friendly relations which prevail between the two countries. In some mouths that would be a mere banality, a platitude. But if I may say so, England and America have one additional bond at the present moment. In the case of our prime minister and your President, we have a man of preeminent straightforwardness, a man whose every word we all know we can trust. [Applause.]

When Mr. Coolidge was good enough to say that to me this morning I knew that he meant it from the bottom of his heart. And so the relations between our countries are very friendly.

I was very, very glad that you, sir, in the brilliant speech you have just delivered [referring to Mr. Depeu] dated that friendliness from the time of the treaty of Ghent. I have always myself thought that the greatest title to fame that our minister, Lord Curzon, had was in the signature of that treaty. It was a very remarkable performance and one which shows that it is possible to make a treaty of peace that will really lastingly give peace to the countries between whom it is made.

But I think it has many other reasons. Your society is one; the greatly increased knowledge that prevails, both in England and America, of the national characteristics of the other people.

CARICATURES EXTINCT

I can remember a time—it was just dying out when I was young—when the typical Englishman, as seen through American spectacles, was a haughty and supercilious person of not any very great value to any one except himself [laughter], and the typical American was a curious kind of caricature, a person of rude and rough manners, purse proud and offensive and arrogant. I don't know whether any such prototype of the man ever existed; I doubt it very much. But certainly he is as extinct as the dodo at the present time. [Laughter.] But beyond all that, of course, there is the racial bond; there is the fact that a very large proportion of us come from the same stock. I am profoundly grateful that it should be so. And more than that, there is, of course, what has often been alluded to, the great likeness in our ideals and aspirations, the great sources of which are in our literature and our history.

Shakespeare and the Bible count for a great deal in the good relations between England and America. The language, of course, is another bond. But much more than all that is the point of view. It is indeed the product of all the things that I have tried to describe.

It has been my good fortune—or evil fortune—to attend a great many international assemblies during the last few years, and whenever I have found an American colleague in those assemblies, whatever purpose we may have entered with, however divergent our apparent opinions originally were, in a quarter of an hour we always found ourselves pretty much agreed, not because we had talked one another over, but more because in point of fact the same arguments appealed to both of us, the same point of view was that which was recommended to each of our minds. I believe that that essential sameness, identity of point of view, is the thing that is really responsible for the good relations between our countries more than any other single cause.

LAW PLAYS LARGE PART

I believe, too—I am bound to believe—that among the causes of that very fortunate state of things has been something which isn't quite so often mentioned as it ought to be, and that is the law. Nothing was more striking than the great success which attended the visit of the American Bar Association to England during the last summer, with Mr. Secretary Hughes as one of the chief members of it. I believe that it brought the two countries together as much as anything that has happened for a long time past. The fact that we find constantly that we do appeal to the same principles in the law, that even the same names are great on both sides of the Atlantic, that Chief Justices Marshall and Storey are just as great in England as I hope Mansfield and Blackburn are in this country, the fact that we appeal to the same authorities; that our principles go back to the same thing; that this great structure, one of the noblest structures that has been erected by the human intellect—the structure of the law that prevails in our two countries—comes from a common organ and appeals to common authorities—I believe these things have had an immense effect in bringing the two peoples in closer and closer relations.

Your chairman just referred to the blockade. I am glad that he has so pleasant a recollection of the incidents of those transactions. [Laughter.] I am not quite sure that I was so conscious of its success in the way that he described as he was at the time that it occurred. [Laughter.] But this is true, that for all the things we did, we cited American precedents. [Laughter and applause.]

Yes, ladies and gentlemen, I believe very much in the influence of the law. It has had a prodigious influence undoubtedly in molding our national character.

STANDS BY PRECEDENT

All that love of precedent—which I personally am a hearty believer in—all that distrust of generalization, that insistence on the practical point of view, much of all that comes from the great and continuous development of English law from the earliest times, and the great part it has played in our history always. It has formed to a great extent that cautious, unenterprising, if you like, but after all safe point of view which the British rejoice in.

I remember in Paris on one occasion in the course of a debate, a discussion at the League of Nations Commission, a French delegate urged a particular course upon the commission, mainly, he said, because it was so logical, it followed so symmetrically from what we had done, and a British delegate replied, "Yes, yes; and that is precisely why I distrust it." [Laughter.] And that which very nearly terminated the resistance of the French delegate, so shocked was he at the observation, was greeted with temperate applause by my American colleagues. [Laughter.]

And hence it comes, I think, that we tend very much in great difficulties that come before us, international and others, to seek if we can a legal solution. We feel on safer ground, happier if we can approach our problems from a legal point of view, and I heartily agree with that way of looking at things.

OUTLAWING OF WAR

I have been very much interested, both on this occasion and on my previous visit, to notice one particular example of that which seems to have considerable favor in your country. It consists of the movement for the outlawry of war, and I think every one of us will not only be attracted by the legal atmosphere which it conveys but also will see what a fine conception it is that the nations of the world should combine to excommunicate war, to abolish it from the whole field of international relations, to put an end to it once and for all.

These ideas must be to every thinking man exceedingly attractive, and I don't wish to say one word in discouragement of the conception. It appeals to me profoundly. And yet, perhaps because of the training as an Englishman that I have received, I can't help uttering, I won't say a word of warning, but a word of caution. It is right to have these aspirations, to live at great altitudes, but it is very, very important to keep your feet firmly fixed on the ground and in the path on which you propose to go.

Still keeping in legal circles, in legal phraseology I venture to remind you that in our patent law—and I suppose it is the same in yours—it is not enough to have a great idea or a good idea or to make a great discovery or a great invention—that isn't sufficient to secure the protection of the State. You must go further than that. You must have your great idea, your great invention, your great discovery, and you must show a practical means for carrying it into effect. It is in reference to that I should like, if I may, even on this occasion, to say a few words about how this great conception of the outlawry of war may be carried into effect.

CRIME TO START STRIFE

I have noticed one suggestion made, namely, that it should be made by international agreement a crime in the strictest sense of the word, a national crime, if any citizen of any country drives his country into war, and that he should be punishable by imprisonment or some other even more serious punishment if he commits this crime.

Well, I can't help feeling that that isn't a very helpful way of approaching the subject, because, after all, if a country is defeated in the war, the man who was responsible for that war is likely to be punished very severely by his fellow countrymen without any new legislation of an international character. To be in a defeated country is in itself a very serious punishment. And if his country is victorious, is it at all conceivable that you would ever induce the victorious country to punish the man who, according to them, would appear to be the author of the glory of the war which had just taken place?

I can't believe that that is a solution of the practical difficulties which would be of the slightest assistance. But other suggestions have been made. One is—not perhaps quite as precise as it might be, but broadly—that you should first outlaw war, that you should then codify international law, so as to make it quite clear, if it be possible to do so, what offense against international law was committed by the outbreak of the war, and you should then have a world court to declare on whom the guilt of the outbreak of war really rested.

Well, I am not going to say a word about codification, but let me say that I doubt very much whether, however much you codify interna-

tional law, you would ever be able to provide rules—precise rules—which would enable you to judge which nation had broken some specific rule of international law so as to be clearly guilty of the crime.

SEIZURE OF TERRITORY

Take, for instance, the question of the seizure of territory, the occupation of territory, or demand for territory, the quarrel arising, let me put it, out of the possession of territory; consider the kind of arguments that are dealt with. There are racial arguments. Who inhabits the territory? There are economic arguments. Is it or is it not necessary for the economic welfare of this or that country? There are historic arguments. To whom has it belonged; what has been the history of it? How has it come into the possession of a country? And there are always what can't be excluded, unfortunately, strategic arguments—arguments as to the strategy of that territory.

I can't conceive of any international code which could be so drawn as to make it clear on which side right lies, where considerations of that kind have to be borne in mind. I am not inventing cases. Take the well-known case of upper Silesia, when it was divided between Poland and Germany. All these questions came up; all had to be considered, all had to be dealt with. Though I believe myself that a broadly just decision was arrived at, I am quite certain it wasn't the kind of decision that could be dealt with by strictly legal means. It was a question of policy, of expediency, of justice, if you like, but of justice in the widest sense, and not a matter that is open to purely legal discussion based on a code of international law. And so I rather doubt whether that would work.

FAVORS LEGAL CODIFICATION

Do not think for a moment that I am against codification. On the contrary, I believe it to be of great importance that we should proceed to codification of international law and elucidation of international law. There should be elucidation of international law in the first instance and after that codification as soon as possible.

I rejoice profoundly that the League of Nations should have appointed a committee with the very purpose of looking into this question and seeing how far it is possible at the present time to proceed in that direction, and I trust earnestly that that committee will be fruitful in admirable results; but I should be not saying what I believe if I said that I thought those results would be quickly arrived at. I am sure it is going to be a very long business, and I am afraid that when it is completed there will still be a very considerable tract of international relations which will not be covered by the strict provisions of any law but which will have to be dealt with on broad considerations of equity and justice apart from any written rules that you can possibly lay down.

Still less, may I say, am I against the institution of an international court. I believe that to be of the greatest possible value. I regard the steps that have been taken toward the creation of an international court as among the greatest things that the league has done. I believe that that court has been of the greatest possible value to the peace of the world and the good understanding of nations already. I believe that the really considerable number of cases which it has decided—I think there are some 10 or 15 of them already—are really a very remarkable output of work, considering the great youth of the court. I believe I am right in saying that the Supreme Court of the United States did nothing at all for the first three years of its existence. Here is a court which has to deal with even more difficult and complicated subjects and which has already achieved a very considerable position in the world by its work.

I believe that a great deal of that work can be done long before you codify law. I believe there are a great mass of questions dealing with the interpretation of treaties, the assessment of damages, and things of that kind, which have been and can be dealt with with great success by a court of that description, and it is only right to say that so successful has this court been in dealing with these matters that it has already achieved a very remarkable degree of confidence amongst those nations which have appeared before it.

CITES ANGLO-FRENCH DISPUTES

I remember very well a very striking instance of that in an Anglo-French dispute which came before the court. The case originally came before the court on a preliminary point, I think, as to whether the dispute was really in its nature an international dispute, and it was argued exactly as you argue any other case before any court by the British and the French representatives. The court decided in favor of the British contention. Thereupon the French advocate arose immediately, though the decision had been given against him, and said that he was instructed by his Government to withdraw all objection to the court deciding the main question, and to suggest that they should immediately proceed to the discussion of the main question. That, I think, is a striking case where a defeated litigant was yet so satisfied of the justice of the tribunal that he was ready to intrust a still more difficult question to its decision immediately. Indeed, I would go further than that and I would say that if codification of international law comes, and I hope it will come, I believe

that the greatest instrument for codification, for elucidation in the first instance and codification in the next, will be the decisions of the court.

I am a firm believer in the common law, in the law that is built up by judicial decisions, and I believe there is no safer way, particularly in the beginning of a system of law, than to get thoroughly trustworthy courts, get them to decide on broad grounds of equity the controversies that are brought before them, and then gradually to distill out of those decisions the principles of the law which are to guide you for the future.

QUESTIONS BEYOND STATUTES

But even so, and granting all this—and I hope that after what I have said I shall not be accused of underrating the value of the court for a moment—yet I am convinced that there are a great many phases of international disputes which can not be determined by strictly legal, narrowly legal, action of that kind. I am quite sure that in addition to that, in dealing with some of the main questions that divide nations, the question to use the phrase that I think occurs in some of your treaties, of honor and vital interest which divide nations, many of those can only be dealt with (at any rate in the present frame of mind of the nations of the world) by a much more flexible instrument than the rigid court of law.

We must deal with it by discussion, by mediation, by appeal to public opinion, by a frank laying before the world of the respective contentions of the parties, and in that way, and in that way only will you arrive at a peaceful solution of many of your difficulties.

I say very, very emphatically, if I may, to those who are anxious, as I am anxious, to see the outlawry of war the final extirpation of war as a means of settling international disputes, that if you desire that you mustn't confine your efforts to a purely legalistic point of view; you must look beyond that and construct machinery which will be able to deal with all disputes between the nations and not only with those which are of a strictly judicial character. [Applause.]

I feel very strongly about these matters. I can not help feeling that in discussing these kinds of questions we are discussing matters of vast moment and importance, matters on which the whole future prosperity, indeed the future of the civilization of the world, may depend. We can not afford to adopt solutions which may be attractive for the moment, which will not turn out to be satisfactory in the end.

URGES FULL DISCUSSIONS

I have always asked, in all these matters, for the fullest possible discussion, the fullest possible light to be thrown upon every proposal that is made. We must go for realities and not phrases; we must understand exactly what we are doing. And I hope and trust that whatever proposals are put forward, we shall never forget that the matters in which we are engaged are of vast importance, that what we are after is not less than the establishment of the peace of the world, and that anyone with the slightest imagination who considered what that phrase means, what peace embodies, what the want of peace means for the world in the near future. Anyone who considers that will approach these questions not with the desire of the success of his opinions or the victory of this or that proposal, but merely and solely with the purpose of finding some practical solution of the greatest problem that has ever faced humanity.

For my part, I adhere most fully to what your chairman has said. I believe this is a matter in which the British and the American peoples can cooperate most usefully. It is said in my country that peace is the greatest of British interests. I am sure that all thinking Americans will agree that peace is the greatest of American interests also. [Applause.]

Let us be frank with ourselves. It isn't only a question of interest; we mustn't be too afraid of being thought hypocritical. It is true that both my people and yours do care for something beyond their interests. They are idealists, and why should they be ashamed of being idealists? They do care for ideals. They are anxious to do something not only to promote their own prosperity or even only the prosperity of their country but something also for the peace and happiness and prosperity of the world. And here, I am satisfied, is a great field for genuine cooperation between our two countries.

MACHINERY MERELY TO ACHIEVE END

I am not talking for the moment about the precise machinery. Machinery is of value; I will not underrate it. But, after all, it isn't the only thing; it isn't the main thing. I am not considering now whether we can achieve our end by the League of Nations or by some other method. What I do say is, here is a common object which we feel, both of us, profoundly, deeply. Surely it must be possible for us to cooperate for its attainment.

I do not mean even an alliance. I am not suggesting an alliance. I believe it is quite impracticable to begin with, and perhaps that is sufficient. It is like the old story of the mayor and the church bells, who explained that they weren't rung for many reasons, the first one being that there were no bells. [Applause.] I don't believe that an alliance is a practical proposition.

I am afraid I go further. I think that even an Anglo-American alliance to impose peace on the world, if you can conceive of such a thing, would be a dangerous and very doubtful enterprise.

To us our aspirations, our ideals are—and I think rightly and naturally—the greatest and best in the world. We believe that there is much that is common between England and America in those ideals. But you can't expect the rest of the world to share that opinion, and the attempt to enforce the ideals of any kind of civilization, whether it is German kultur or what is sometimes called Anglo-Saxon ideals, whatever name you may give it, will be bitterly resented, and perhaps properly resented, by the rest of the world.

It isn't a new holy alliance that I believe in, even though that might be a holy alliance in the interests of the highest form of democracy.

WANTS COMMON PEACE POLICY

What I have in my mind is a common peace policy, the exercise, the unfettered, the free exercise of both countries of their influence and their example for the peace of the world, combining, it may be, in this or that particular enterprise or this or that particular piece of machinery, but in any case working together for the common object, which is the greatest object that they can have.

I can't help feeling that if we could work together on those lines that would be a very inspiring aspiration for all of us.

I remember very well—your chairman has referred to it to-night, and we all remember it—the entry of your country into the war. I was in London, of course, and when it was announced I felt, and I believe with the vast mass of my fellow countrymen, a thrill of thankfulness and gratitude which for the moment wiped out even the horrors of the existing war.

After long years it was our feeling Americans and English are again side by side, marching against a common foe and striving for a common object.

What we did in the war with our allies history can tell us, and I think that history will say that no greater achievement has ever been recorded than that. If we could do so much in war, why should we not do even more and even greater work for peace?

Therefore, ladies and gentlemen, as my last word for the time being, let me say this: Let us go forward together, each in our own way, but having our common object before us; let us go forward in this great quest to achieve, in the words of the old prayer, "Peace and happiness, truth and justice, religion and piety."

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

RECESS

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 15 minutes p. m.) took a recess until to-morrow, Tuesday, January 13, 1925, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 12 (legislative day of January 5), 1925

PROMOTIONS IN THE ARMY

OFFICERS' RESERVE CORPS

George Emerson Leach to be brigadier general, Officers' Reserve Corps.

MEDICAL DEPARTMENT

James Denver Glennan to be assistant to the Surgeon General.

MEDICAL CORPS

Stanley William Matthews to be first lieutenant.

FIELD ARTILLERY

Warfield Richardson Wood to be first lieutenant.

INFANTRY

Francis William Johnson to be second lieutenant.

MEDICAL ADMINISTRATIVE CORPS

Fritz Jack Sheffler to be first lieutenant.

CHAPLAINS

Edwin Burling to be chaplain, with rank of captain.

Cornelius Aloysius Maher to be chaplain, with rank of captain.

PROMOTION LIST BRANCHES

Ethel Alvin Robbins to be captain.

James Gilbert Anthony to be captain.

Housan Wayne Duncan to be first lieutenant.
Park Holland to be first lieutenant.
John Gross to be first lieutenant.

POSTMASTERS

ALABAMA

William H. Briley, Ariton.
Charles W. Horn, Brantley.

FLORIDA

Harry W. Thurber, Lake Worth.
Edward R. Joyce, St. Augustine.

GEORGIA

Cleone M. Fincher, Culloden.
George A. Poche, Washington.

IDAHO

Swen F. Johnson, Downey.
Homer W. Woodall, Soda Springs.

INDIANA

Walter M. Skinner, Fulton.
Fred H. Maddox, Lyons.
LeRoy H. McAllister, New Carlisle.

MASSACHUSETTS

Elsa L. Downing, Harding.
Frank H. Hackett, Wakefield.

MICHIGAN

Myrtle G. Lewis, Burr Oak.
Hattie G. Jones, Oxford.
Clyde A. Wilcox, Bethesda.
Thomas E. Stafford, Fredericktown.
Alice Hastings, Lagrange.

TEXAS

John T. White, Kirkland.
Ernest H. Duerr, Runge.
Lynn E. Slate, Sudan.

UTAH

Cora E. Paxton, Lynndyl.

WEST VIRGINIA

Jerome Akers, Kenova.

HOUSE OF REPRESENTATIVES

Monday, January 12, 1925

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our Lord, our times are in Thy hands. We come to Thee with a prayer and not a claim. May we see God in His wondrous providence moving among the affairs of the great world, always bringing order out of chaos and peace out of tumult. As Thy love and wisdom are never exhausted, we come seeking their blessing and guidance. Set upon us this day the sense of Thy approval. Give inspiration as well as direction to all that we shall do in this Chamber. Teach us that mercy is more acceptable than sacrifice and goodness is more to be desired than greatness. Lead us on through all the days and to-morrows until eternity breaks in sight. For the sake of Jesus. Amen.

The Journal of the proceedings of Saturday, January 10, 1925, was read and approved.

AGRICULTURE DEPARTMENT APPROPRIATION BILL

Mr. MAGEE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 10404, a bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1926, and for other purposes, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table, disagree to all Senate amendments, and ask for a conference on a bill which the Clerk will report by title.

The Clerk read the title of the bill.

Mr. SNELL. May I ask the gentleman from New York a question? How much was the bill raised in the Senate?

Mr. MAGEE of New York. Approximately \$200,000.

Mr. SNELL. What were the special items?

Mr. MAGEE of New York. One item of \$50,000 for further fighting forest fires; another item of increase of some \$90,000 for the market-news service, and some smaller items.

Mr. GARRETT of Tennessee. Mr. Speaker, may I ask the gentleman a question? An amendment has been put on by the Senate, which, I understand, will go on all appropriation bills. It is an amendment relative to the fixing of the pay of certain employees in the field service. I think some inquiries have been made in connection with another bill that has gone to conference with regard to that. There are some gentlemen on this side of the Chamber who think that the sentiment of the House should be expressed upon that subject on some one of the bills. Of course, we have no way of knowing what conference report will come back first.

Mr. MAGEE of New York. I will say to the gentleman that I understand from the chairman of the Committee on Appropriations that an identical provision will go in each appropriation bill. I further understand that under the rules of the House, unless the conferees on this bill, for instance, should insist upon cutting out such provision and it should be cut out, the provision will have to come back to the House for action.

Mr. GARRETT of Tennessee. That is what I wanted to ask the gentleman, because it is legislation.

Mr. MAGEE of New York. That is as I understand the rule.

Mr. GARRETT of Tennessee. And it will undoubtedly have to come to the House for action.

Mr. MADDEN. And if we do not cut it out it will come back. It should be cut out, and I think we shall be able to cut it out because we ought not to legislate on these bills.

Mr. BLANTON. Mr. Speaker, reserving the right to object, will the gentleman tell us whether or not the item of \$50,000 for the so-called agricultural conference has been put on this bill?

Mr. MAGEE of New York. No.

Mr. BLANTON. It has not?

Mr. MAGEE of New York. We did not have any jurisdiction, at the time we drafted this bill, to include that.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. MADDEN, Mr. MAGEE of New York, Mr. WASON, Mr. BUCHANAN, and Mr. LEE of Georgia.

CALENDAR WEDNESDAY

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday be made in order on Thursday in lieu of Wednesday.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the business in order on Wednesday be in order on Thursday instead. Is there objection?

There was no objection.

Mr. GARNER of Texas. May I ask the gentleman from Ohio if he expects that on Tuesday we will finish the banking bill and then on Wednesday take up the rivers and harbors bill?

Mr. LONGWORTH. That is the idea.

Mr. GARNER of Texas. Suppose we do not finish the banking bill on Tuesday?

Mr. LONGWORTH. I think that probably the House would rather finish the banking bill, and then the rivers and harbors bill will immediately follow.

Mr. GARNER of Texas. But suppose we do not finish the banking bill on Tuesday and it goes over and takes up Wednesday, are we to postpone the consideration of the rivers and harbors bill on Thursday and take it up Friday?

Mr. LONGWORTH. Personally I shall be very glad to do what the House wants done in that matter, and I think we can probably arrange that very easily on Tuesday if we do not pass the banking bill.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Texas makes the point of no quorum. Evidently there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 24.]

Abernethy	Boylan	Clark, Fla.	Dominick
Anderson	Briggs	Collins	Eagan
Anthony	Britten	Corning	Edmonds
Arnold	Browne, N. J.	Croll	Elliott
Ayres	Brumm	Cullen	Fairchild
Barkley	Buckley	Curry	Fairfield
Beedy	Butler	Davey	Faust
Begg	Canfield	Davis, Minn.	Fenn
Berger	Carew	Deal	Fitzgerald
Black, N. Y.	Celler	Dempsey	Fredericks
Bloom	Clague	Denison	Fulbright
Bowling	Clancy	Dickstein	Fulmer

Funk	Langley	O'Connell, N. Y.	Shallenberger
Gambrell	Larson, Minn.	O'Connell, R. I.	Sherwood
Garber	Leach	O'Sullivan	Sites
Geran	Leavitt	Oliver, N. Y.	Smithwick
Gifford	Lee, Ga.	Paige	Snyder
Glatfelter	Lindsay	Park, Ga.	Speaks
Goldsbrough	Linthicum	Parks, Ark.	Sprout, Kans.
Green	Logan	Perkins	Stengle
Griffin	McDuffie	Perlman	Strong, Pa.
Harrison	McFadden	Porter	Sullivan
Hastings	McLaughlin, Nebr.	Purnell	Sweet
Haugen	McLeod	Quayle	Taylor, Tenn.
Hawes	McNulty	Ragon	Tincher
Howard, Okla.	Martin	Ransley	Tinkham
Hull, Tenn.	Merritt	Rayburn	Vare
Hull, Morton D.	Michaelson	Reed, Ark.	Voigt
Hull, William E.	Mills	Richards	Ward, N. C.
Jacobstein	Montague	Roach	Watson
Kent	Mooney	Robson	Weller
Kerr	Moore, Ill.	Rogers, Mass.	Welsh
Kless	Morin	Rogers, N. H.	Wertz
Kindred	Morris	Sanders, Ind.	Wilson, Ind.
Knutson	Nelson, Wis.	Schall	Winslow
Kunz	O'Brien		Wolf

The SPEAKER. Two hundred and eighty-seven Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

RIVERS AND HARBORS

Mr. SNELL, chairman of the Committee on Rules, submitted a privileged report from that committee (H. Res. 400) providing for the consideration of H. R. 11472, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was read and referred to the House Calendar.

NICHOLS AVENUE

Mr. ZIHLMAN. Mr. Speaker, I call up the bill (S. 1782) to provide for the widening of Nichols Avenue, between Good Hope Road and S Street SE.

The Clerk read the title of the bill.

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Maryland asks unanimous consent that the bill be considered in the House as in Committee of the Whole.

Mr. BLANTON. Mr. Speaker, there is no objection to this bill, but the gentleman from Arkansas [Mr. TILLMAN] wants five minutes to speak out of order, which he could have in the Committee of the Whole under the rules. If there will be no objection to his having that in the House, I shall raise no objection to the request.

Mr. ZIHLMAN. I will say to the gentleman I can not answer for the House.

Mr. BLANTON. The House, I am sure, would comply with such agreement as the gentleman might make.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That within 90 days after the dedication to the District of Columbia by the owners of lots Nos. 29 to 35, both inclusive, in square No. 5601, of a strip of land seven feet in width for widening of Nichols Avenue between Good Hope Road and S Street southeast, the Commissioners of the District of Columbia be, and are hereby, authorized to acquire, by purchase at a price deemed by them to be reasonable and fair, otherwise by condemnation, under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, all of those pieces or parcels of land taxed as lots Nos. 816 and 821 and the following-described part of that parcel of land taxed as lot No. 827, in square No. 5601, beginning for the same at the southwest corner of lot taxed as lot No. 827, in square No. 5601, said corner being at the intersection of the eastern line of Nichols Avenue and the northern line of Good Hope Road; thence running with the northern line of Good Hope Road south fifty-nine degrees forty minutes thirty seconds east fourteen and ninety-three one-hundredths feet to the southwest corner of lot taxed as lot No. 803, in square No. 5601; thence leaving Good Hope Road and running with the dividing line between said lots Nos. 827 and 803 north thirteen degrees twenty-three minutes thirty seconds east seventy-five feet to the northwest corner of said lot No. 803; then leaving said lot No. 803 and running in a parallel line to the eastern line to Nichols Avenue and seven feet southeasterly therefrom north nineteen degrees fifteen minutes fifteen seconds east twenty-five and thirteen one-hundredths feet to the northern line of said lot No. 827; thence with the northern line thereof north seventy-six degrees thirty-six minutes thirty seconds west ninety-one one-hundredths feet to the most eastern corners

of lots taxed as lots Nos. 816 and 821; thence with the dividing line between said lots Nos. 821 and 827 south thirty-nine degrees twenty-eight minutes west seventeen and thirty-nine one-hundredths feet to the eastern line of Nichols Avenue; thence with the eastern line thereof south nineteen degrees fifteen minutes fifteen seconds west eighty and forty one-hundredths feet to the beginning, containing nine hundred and twelve and sixty one-hundredths square feet, more or less, as shown on the plat books of the surveyor's office of the District of Columbia, for the widening of the said Nichols Avenue between Good Hope Road and S Street southeast: *Provided, however*, That the entire cost of the property if acquired by condemnation under and in accordance with this act plus the cost of the court proceedings incident thereto shall be assessed as benefits against any property in the District of Columbia which in the judgment of the condemnation jury is benefited.

SEC. 2. That there is hereby authorized to be appropriated out of the revenues of the District of Columbia, if acquired by purchase, the sum of \$4,500 to pay the purchase price plus any expenses incident thereto, or in case of condemnation an amount sufficient to pay the necessary costs and expenses of the condemnation proceedings taken pursuant hereto and for the payment of the amounts awarded as damages, to be repaid to the District of Columbia from the assessments for benefits, and covered into the Treasury to the credit of the revenues of the District of Columbia.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. TILLMAN] may have 10 minutes out of order.

The SPEAKER. The gentleman from Texas asks unanimous consent that the gentleman from Arkansas may proceed for 10 minutes out of order. Is there objection?

There was no objection.

BE FAIR TO CONGRESS

Mr. TILLMAN. Mr. Speaker, in the Washington Post of last Sunday appeared the following:

HILL INSISTS ON INQUIRY INTO JUNKET TO PANAMA

Wet leader threatens to urge investigation of Mrs. Scott's charges of rum smuggling—passenger list made public.

The Panama trip in 1921 was an unofficial junket. It was unauthorized by Congress. Members and their wives and families who made the trip made the arrangements through the War Department.

The passenger list of the *Christobal*, made public yesterday by the Panama Railroad Steamship Co., a Government-owned corporation, contains the names of more than two score distinguished Members of the Senate and House, most of whom have consistently voted in the dry column.

Among the passengers as disclosed by the list was Miss Laura Volstead, daughter of the author of the Volstead Act.

The gentleman from Maryland [Mr. HILL], 2.75 per cent in earnest, and 97.25 per cent in frolicsome horseplay, threatens another investigation. He proposes to dignify with serious consideration side remarks escaping from a witness testifying in a judicial proceeding in Michigan, charging misconduct and crime to Senators and Representatives. Everyone it seems must have his fling at Congress, including Members themselves.

I undertake this defense because I am a dry in practice as well as in theory.

The passenger list of the steamer *Christobal*, carrying in 1921 a group of Congressmen, their wives, and children to Panama is "made public" in the Washington Post of last Sunday. This list was "public" four years ago, and is a list of respectable men and women, no better, no worse than the average, bent on a proper mission and carrying on respectably. Is it not time to abandon unfair attacks on public men? Papers big and little, daily and weekly, seem to find thrilling entertainment in an endless spread of printer's ink, mercilessly ridiculing and pitilessly attacking Members of the Senate and House, besides investigations and divorce proceedings delight them beyond measure.

I am a friend of the great American newspapers. They are ably edited, and the bright young men who serve them as reporters are intelligent and capable beyond comparison. Our newspapers surpass those of England and the Continent as the sun outshines the twinkling stars. I never indulge in the senile pastime of saying that there are now no Danas, no Greeleys, no Wattersons.

There are to-day just as brilliant editors as there ever were. To some people "memory's geese are always swans."

Some assert that no one now living can wear Achilles' armor, no one to-day can wield King Richard's battle-ax. Only those

afflicted with senile dementia take that view of things. People are cleaner, better, abler—physically, mentally, and morally—than ever before in the history of the world. [Applause.] To hades with "Oh the times, Oh the morals" stuff from Horace down to this good hour.

Do not bear the times; bull the times and exalt America and Americans, the greatest country and the greatest people that God's golden sun ever shone upon. [Applause.]

I deplore petty faultfinding, and the perennial attitude of nosing the ground for the smell of scandal's tracks.

The reputation of any man or woman can easily be tainted if people believe all they hear, require no proof, and presume the accused guilty, when the law says even the indicted are presumptively innocent until proven guilty beyond a reasonable doubt.

To show how easily a reputation can be injured, a minister from my State rented a dress suit to wear at the President's reception last Thursday night, left Washington next morning on an early train, and left the suit and money for the use of it with the night clerk of the hotel where he was stopping. This night clerk laid it away where the day clerk could not find it, and in a little while the report was all over town that the preacher had intentionally taken the suit home with him.

It is a tragic thing for a cruel charge to be made against anyone without sufficient proof in sight to justify the publicity that is usually accorded such accusations. During the past year and up to date this Capitol has reeked with scandal, and some of it unworthy of notice or publicity.

I do not condone or excuse crime or official corruption. I condemn crime and corruption, but it is an awful thing to cut men's throats with slanderous whisperings and then gibbet them before the public on criminal charges, unless proof of the crime charged, strong as Holy Writ, is ready to be produced. And this wholesome principle applies to Presidents, and especially includes Presidents dead or living, to Cabinet officers, to all men and women, in fact, as well as to Senators and Representatives. Jackals of slander poked their long noses into the new-made grave of the gentle Harding, so the sheeted dead even must pay toll to the morbid appetite for sensation that now seems to grip the Capitol and the country and fattens and grows.

If men are guilty of crime, convict them, but be sure it is crime and not mere indiscretion or poor judgment or mistake. Crime is not partisan, and even-handed justice only should be sought and done under this miasmic shadow of charge and countercharge which for some time has hovered like an ugly fog over the National Capitol.

For a year or more the situation here has been tense, abnormal, and the blazing sparks of scandal have been flying through the air. The march of the skeletons has been on; meantime the truth has not always been told.

A RAPID MOVER

The short and ugly word moves like a meteor. A lie can travel 40 miles while the truth is getting his boots on. Slanders have been riding about like demons on rumor's tongue. Everybody has been trailing the winged feet of furtive whispers. The keen-fanged sleuths have been hot on the scent of every tale, and tales there are a plenty. Mrs. Grundy or Wildeyed Wash or Windy Jim or Babbling Bobby remarks that Susan Slusher has not swept her kitchen since Christmas Eve, or that Merry Mabel had been seen talking to a traffic cop for five whole minutes, or what is more to the point, that some Senator or Representative had received 40,000,000 doughnuts for voting for a bridge across Salt River. The story starts and away it goes. After it has made three rounds twice and zigzagged across the circle once more, Mr. Stinging Bee hears it and whispers it to Hen-pecked Pete's brother-in-law, and he starts with it on the run. A lie travels faster than the truth, because it meets so many friends who give it a ride. Truth gets up in the cold, gray dawn and has to knock four times before he can get a door open, but a lie is greeted with the glad word, creamed and coffeed and fed and petted and laughed at and slapped on the back, and then sent hurrying on in the swiftest automobile on the place. [Applause.]

The skeleton parade goes on merrily—grim, grotesque, grinning skeletons. Comes undeserved heartaches, blasted reputations, red scars made by the white-hot iron of unjust suspicion.

Juvenal says in his ninth satire:

There's a lust in man no charm can tame
Of loudly publishing our neighbor's shame.

Men's reputations should not be imperiled without just cause. I can not help but sympathize even with men rightfully assaulted. As a schoolboy I read Cicero's great oration against

Cataline, and my heart went out to the lonely figure sitting on a bench in the Roman Senate by himself, deserted by his colleagues, withering under the fierce verbal fire of Rome's greatest orator.

When the black wolf of condemnation gnaws on your soul you need sympathy and help. And God pity anyone whose prey is man's good name.

Good name in man and woman, dear my lord,
Is the immediate jewel of their souls.
Who steals my purse steals trash; 'tis something, nothing;
'Twas mine, 'tis his, and has been slave to thousands;
But he that filches from me my good name
Robs me of that which neither enriches him
And makes me poor indeed.

We are prone to condemn too hastily at times. It is wrong. Instead of heaping blossoms on men's graves it is better to strew them along the highways of their lives; instead of chanting praise in dead ears, whisper them or shout them into living ears when storm and stress and strife assail men, as we all are assailed some time in our lives. If the men and women who pour their tears upon our graves had lent their sympathy, encouragement, and strength in our years of life, when just one heart could turn a losing fight, how much better it would have been. And for heaven's sake let us not allow the House to descend to the low level of an up-country court hearing a divorce case. Do not justify people in drawing hurtful comparisons between Congress now and Congress years ago.

There is so much good in the worst of us and so much bad in the best of us that it hardly becomes any of us to talk about the rest of us.

In the meantime, let us still believe in the men and women of to-day. [Applause.]

Mr. BLANTON. Will the gentleman yield for a question?

Mr. TILLMAN. I shall be glad to yield.

Mr. BLANTON. After all if a man would just do right and do his duty, these little newspaper criticisms would not hurt him; is not that true?

Mr. TILLMAN. I quite agree with the gentleman.

SALARIES OF POLICEMEN AND FIREMEN, DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I call up the bill (H. R. 10144) to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia," approved May 27, 1924.

The Clerk read the title of the bill.

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Maryland asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia," approved May 27, 1924 (Public, No. 148, 68th Cong.), be, and the same is hereby, amended as follows:

In section 2, after the words "battalion chief engineers," strike out the figures "\$3,050" and insert the figures "\$3,250," in accordance with an amendment of the Senate to the bill H. R. 5855, which was not included in the engrossed amendments to said bill as transmitted to the House of Representatives.

Mr. BLANTON. Mr. Speaker, I desire to use only about two minutes. This bill simply corrects an error and is all right and, I think, should be passed.

But, on another subject, I want to call attention to the action of our commissioners which is depriving 1,070 policemen and over 700 firemen of something that they are entitled to by law, to wit, a day off each week in lieu of Sunday. Just before we adjourned Congress passed an act which, after the 1st of July, 1924, gave to every policeman and every fireman in the District a day off each week in lieu of Sunday. To those who could have Sunday off, it gave them Sunday, and to those who could not have Sunday off, it gave them another day in each week in lieu of Sunday. This was something they were entitled to, because every other Government employee in Washington had Sunday or a day in lieu of Sunday. So it gave them nothing more than all the others enjoyed already, and Congress intended they should have it. But in the bill, realizing that there could arise a condition where there would be a great emergency of a temporary nature for all policemen and all firemen to be on duty constantly, the Congress provided that the commissioners would have the right to declare

an emergency, so that all would have to be on duty every day during the emergency. This did not mean a so-called theoretical emergency which did not exist and could cover months and perhaps years. No such emergency has existed since July 1, 1924. It meant a condition of great riot; it meant a condition where people's lives might be in danger, either by public enemies or by fire during a certain interim and of a temporary nature.

Yet right in the face of the direction made by Congress to the District Commissioners that beginning July 1, 1924, they should give to each fireman and each policeman in the District a day off each week in lieu of Sunday, not a single fireman and not a single policeman has been granted his day off each week, but has been denied same. They have had to work seven days each week when all other employees of the Federal Government have had their one day off each week.

And since July 1, 1924, there has been in the District of Columbia no such emergency as Congress intended such as would authorize the commissioners to deny said firemen and police their one day off. And they have been denied their one day off unlawfully and without authority of law and against the direction of Congress, and the three Commissioners of the District of Columbia are responsible for it, and I hope that they will remedy it at once.

Ever since July 1, 1924, the Commissioners of the District have declared a constant emergency, when it has not existed in fact, and have prevented every one of the 700 firemen and 1,070 policemen from getting a day off in each week in lieu of Sunday, when they were lawfully entitled to same. We appropriated the money to employ the necessary additional men. Because all have not yet been recruited constitutes no emergency as was intended by Congress. I want to say from the floor publicly that such an unlawful denial of their rights ought to stop. These Commissioners of the District of Columbia ought to carry out the law passed by Congress, according to its full intent, and ought to give these men their day off. During the fire last Saturday night, where \$225,000 of property was destroyed at one time in one building, there were eight firemen injured and crippled, and some may be crippled for life. These 700 firemen risked their lives in trying to put that fire out for the public good. The commissioners have no right to deny these men a day off in lieu of Sunday that Congress gave them. I want to tell the commissioners that unless they immediately rescind this ridiculous emergency order which they put into effect they may expect some action by Congress to see that the will of Congress is carried out.

Mr. WATKINS. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WATKINS. I think Congress made some distinction between the ordinary policemen and the nine policemen in the Zoological Park.

Mr. BLANTON. Yes; that is so, for every one was appropriated for except the nine in said park, but the gentleman from Illinois [Mr. MADDEN], chairman of the Committee on Appropriations, has said that that oversight will be corrected; that these nine men will be taken care of. Now Mr. Speaker, I do not care to use any further time and I yield the floor.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. ZIHLMAN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. ZIHLMAN. Is the bill open to amendment at this stage?

The SPEAKER. No. The amendment stage has passed. The question is on the passage of the bill.

The bill was passed.

TO QUIET TITLE TO LAND IN THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I call up the bill (H. R. 8662) to quiet title to original lot 4, square 116, in the city of Washington, D. C., and I ask that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to substitute the bill S. 3053 for the House bill. The two bills are identical.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate bill, as follows:

The bill (S. 3053) to quiet title to original lot 4, square 116, in the city of Washington, D. C.

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to correct the records of the War Department in respect

of original lot 4, in square 116, in the city of Washington, D. C., the title to which the records of his office show to be in the United States, upon the filing by the present owners of the lot of sufficient proof that the said owners or the party under whom they claim have been in actual possession of the said lot for an uninterrupted period of not less than 20 years, so that the said records shall show the title to said lot to be in the said owners.

The bill was ordered to be read a third time, was read the third time, and passed.

The House bill (H. R. 8662) was laid on the table.

FLAG FOR THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I call up the bill (S. 2430) to create a commission to procure a design for a flag for the District of Columbia, and for other purposes.

Mr. BLANTON. Mr. Speaker, I understood the gentleman was to call up noncontroversial bills. There is a great deal of opposition to this bill, and I hope the gentleman will pass this for the time being. That United States flag behind the Speaker's desk ought to be the flag for the District of Columbia.

Mr. ZIHLMAN. This only authorizes a commission.

Mr. BLANTON. I know; but it is foolishness, in my judgment, and I hope the gentleman will not call it up, because there will be a great deal of time taken and it is of such minor importance compared with other bills that the gentleman ought not to call it up now.

CAPITAL PUNISHMENT IN THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to lay that bill aside temporarily. I now call up the bill (S. 387) to prescribe the method of capital punishment in the District of Columbia, and I ask unanimous consent to consider the bill in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Maryland asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That on and after the 1st day of July, 1924, the mode of capital punishment in the District of Columbia shall be by the process commonly known as electrocution. The punishment of death shall be inflicted by causing to pass through the body of the convict a current of electricity of sufficient intensity to cause death, and the application of such current shall be continued until such convict is dead.

SEC. 2. That the Commissioners of the District of Columbia are authorized and required, on the approval of this act by the President, to provide a death chamber and necessary apparatus for inflicting the death penalty by electrocution, to pay the cost thereof out of any funds available and not otherwise appropriated, to designate an executioner and necessary assistants, not exceeding three in number, and to fix the fees thereof for services, which shall be paid out of any funds available and not otherwise appropriated.

SEC. 3. That upon the conviction of any person in the District of Columbia of a crime the punishment of which is death, it shall be the duty of the presiding judge to sentence such convicted person to death according to the terms of this act, and to make such sentence in writing, which shall be filed with the papers in the case against such convicted person, and a certified copy thereof shall be transmitted, by the clerk of the court in which such sentence is pronounced, to the superintendent of the District Jail, not less than 10 days prior to the time fixed in the sentence of the court for the execution of the same.

SEC. 4. That at the execution of the death penalty as herein prescribed there shall be present the following persons, and no more, to wit:

The executioner and his assistant; the physician of the prison, and one other physician if the condemned person so desires; the condemned person's counsel and relatives, not exceeding three, if they so desire; the prison chaplain and such other ministers of the gospel, not exceeding two, as may attend by desire of the condemned; the superintendent of the prison, or, in the event of his disability, a deputy designated by him; and not fewer than three nor more than five respectable citizens whom the superintendent of the prison shall designate, and, if necessary to insure their attendance, shall subpoena to be present. The fact of execution shall be certified by the prison physician and the executioner to the clerk of the court in which sentence was pronounced, which certificate shall be filed by the clerk with the papers in the case.

SEC. 5. That all acts or parts of acts inconsistent with this act are hereby repealed.

Mr. CHINDBLOM. I would like to ask the gentleman from Maryland how he construes this language which occurs at the end of section 2, with reference to money to use to purchase a

death-chamber apparatus for the infliction of the penalty of death. I refer to the language as follows:

which shall be paid out of any funds available and not otherwise appropriated.

What money has the District of Columbia which may be said to be "not otherwise appropriated"?

Mr. ZIHLMAN. There are fees and commissions which are paid into the treasury of the District.

Mr. CHINDBLOM. The money for the District is appropriated by Congress?

Mr. ZIHLMAN. All money is appropriated by Congress.

Mr. CHINDBLOM. Does this refer to money appropriated by Congress or money appropriated by the commissioners?

Mr. BLANTON. If the gentleman from Maryland [Mr. ZIHLMAN] will permit, I think I can answer the gentleman from Illinois.

Mr. ZIHLMAN. I yield to the gentleman.

Mr. BLANTON. There are fines and forfeitures credited to the District that amount to quite a large sum, which come from the courts. There are other fees that come from the insurance department of the government that are credited up to the District, and there is some property that the District rents and receives revenue from. There is other revenue that comes in to which the District of Columbia has access.

Mr. CHINDBLOM. Let me ask the gentleman if the District Commissioners or the District government have any authority to expend any money for which appropriation has not been made by Congress?

Mr. BLANTON. They have not unless we pass this bill. If we pass this bill they can spend the small amount of money that this bill would require out of such credits and account to the Treasury for it.

Mr. CHINDBLOM. I am going to assume that the committee in this House and also in the other body having jurisdiction of this matter understands this question.

Mr. BLANTON. I shall be very frank with the gentleman and state that I would much prefer to have the gentleman or some one offer an amendment providing that instead of coming from these fees the money must come from Congress, and there should be inserted the language, "such money as the Congress may appropriate." Then, let it come from Congress. I think it is wiser. I think somebody ought to offer an amendment to that effect. There are so many bigger things from this committee than this which require my time—and this amounts only to about a thousand dollars, or \$2,000 at most—that I prefer to use my time on larger bills, as for instance, a bill coming up in a few minutes involving four and a half million dollars.

Mr. CHINDBLOM. Mr. Speaker, I move to amend, on page 2, line 7, by striking out the words "available and not otherwise," and inserting in lieu thereof the word "hereafter."

The SPEAKER. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CHINDBLOM: Page 2, line 7, strike out the words "available and not otherwise," and insert in lieu thereof the word "hereafter."

Mr. CHINDBLOM. So that the clause will read: shall be paid out of any funds hereafter appropriated.

Mr. ZIHLMAN. I have no objection to the amendment.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CHINDBLOM. Mr. Speaker, in lines 3 and 4, on page 2, I offer the same amendment.

The SPEAKER. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CHINDBLOM: Page 2, lines 3 and 4, strike out the words "available and not otherwise," and insert in lieu thereof the word "hereafter."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. LINTHICUM. Mr. Speaker, I wanted to ask the gentleman from Maryland [Mr. ZIHLMAN] a question before the bill

was put upon the third reading. What is the expense estimated under this bill?

Mr. ZIHLMAN. Mr. Speaker, the gentleman from South Carolina [Mr. GASQUE] made an investigation of this matter, and reported the bill, and I do not feel competent to answer the question. I do not know. I would say that the expense would not be very great.

Mr. WATKINS. The probable cost of putting in such a plant as this was investigated in Oregon, and I am informed that it was found to cost anywhere from fifteen to twenty thousand dollars, whereas a rope will cost about 20 cents.

Mr. BLANTON. Oh, the gentleman is mistaken about that. We have facilities here that can be used.

Mr. WATKINS. There are no more facilities in the District of Columbia than there are in Oregon, and not as many. You will find that it will cost from fifteen to twenty thousand dollars to put in the plant that you need with which to electrocute people. Why go to that expense when a 20-cent rope will suffice?

Mr. BLANTON. The gentleman probably has more trees and more rope in Oregon, but not more electricity.

Mr. GASQUE. Mr. Speaker, my investigation here showed that it would cost something between one and two thousand dollars. That was the information that I received from the authorities.

The SPEAKER. The question is on the passage of the bill. The question was taken, and the bill was passed.

ADJUSTMENT OF ACCOUNTS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I call up the bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia, and move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 703. Pending that motion I ask the gentleman from Texas whether we can not agree upon a division of the time.

Mr. BLANTON. Mr. Speaker, there should be at least an hour and a half on a side on this bill. There ought to be more; but that will be agreeable if the gentleman from Maryland will secure such an agreement. I think there ought to be two hours on a side where the bill involves as much as four and a half million dollars.

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent that general debate upon the bill be limited to three hours, one half to be controlled by the gentleman from Texas and the other half by myself.

The SPEAKER. The gentleman from Maryland asks unanimous consent that the time for general debate shall not exceed three hours, one-half to be controlled by himself and one-half by the gentleman from Texas. Is there objection?

There was no objection.

The SPEAKER. The question now is on the motion of the gentleman from Maryland that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 703.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 703, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill S. 703, which the Clerk will report.

The Clerk read as follows:

An act (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. ZIHLMAN. Mr. Chairman, this Senate bill is before the House as a result of the investigation made of the surplus revenues of the District of Columbia by act of Congress. The committee appointed under that act were Senators Phipps, of Colorado; Ball, of Delaware; Harris, of Georgia, and Representatives Evans, of Nebraska; Hardy, of Colorado, and Wright, of Georgia.

Mr. BLANTON. Which one was chairman?

Mr. ZIHLMAN. Senator PHIPPS was chairman of the committee. The committee made a report finding a true surplus of \$4,438,154.92, and this bill proposes to credit that money to the District of Columbia. The report of the committee was unanimous with the exception of former Representative Evans, who

made a minority report disagreeing with the findings of the committee. This amount was found after an extensive investigation, the employment of an auditing firm from Baltimore, to be the funds of the District of Columbia which were appropriated and not used and which remained in the Treasury of the United States but which belonged to the District of Columbia just as much as the other 50 per cent formerly appropriated belongs to the Federal Government. These appropriations were made from time to time and not used.

Mr. SNELL. Will the gentleman yield for a question now, or would he prefer to go on and yield later?

Mr. ZIHLMAN. I will yield now.

Mr. SNELL. In the original resolution providing for this investigation it said that this committee should investigate back to 1874, if I remember correctly, and it only made an investigation back to 1911. I find that in reading Mr. Evans's report. What was the reason for that?

Mr. ZIHLMAN. I will say in my reading of the report I find items referred to far back of 1911. It was my impression that they investigated back to the time of the organic act.

Mr. SNELL. That was the intention of the original resolution, but Mr. Evans in his report makes the statement they only examined as far back as 1911. Now, there ought not to be any doubt about that fact.

Mr. BLANTON. There is no doubt about it, the report shows it; their hearings show it. There is no question but they did not go back of July 1, 1911, but merely accepted as covering the entire fiscal relations, two reports of other auditors which, according to former chairman, BEN JOHNSON, covered only certain specified items that arose during certain years in the period from 1874 to 1911.

Mr. SNELL. They were definitely authorized by the Congress to go to the time of the passage of the original organic act creating the District. It seems to me they were under obligation to do that before they presented a report to the House of Representatives and the Senate. I would like to know what the gentleman from Maryland has to say in regard to that?

Mr. ZIHLMAN. The only thing I can say to the gentleman is I understand from my reading of the report they had gone back and taken into consideration various dedicated appropriations which were not used and which should be credited to the District of Columbia.

Mr. SNELL. The gentleman was not a member of the committee. Did Mr. Evans or Mr. HARDY—

Mr. ZIHLMAN. The gentleman from Colorado [Mr. HARDY] was a member of the committee which made the investigation.

Mr. SNELL. In reading the statement of Mr. Evans, one of the members who did a great deal of work on that committee, and knowing the carefulness with which he went into matters, he made a definite statement which I am constrained to believe is correct. If that is correct, it does seem to me it would not be proper material to consider in the House at the present time.

Mr. ZIHLMAN. I will say to the gentleman if that be true that should not weigh in the gentleman's mind against the favorable consideration of the surplus funds which existed since 1911.

Mr. SNELL. Perhaps if they went back it would be \$10,000,000 instead of \$4,000,000.

Mr. ZIHLMAN. There have always been some funds appropriated that were not used.

Mr. SNELL. But at the time we created that commission the idea of the House was that the commission should go over the whole matter and end it once for all, was it not?

Mr. CRAMTON. Mr. Chairman, if the gentleman will yield, I want to state this, that I was one of the conferees on the District bill at the time the item was placed on the bill for this investigation, and that investigation would not have been agreed to by the conferees unless we had been permitted to write in there the language carrying it back to 1874 for the whole investigation, and a further provision defining the scope of the investigation of certain specific matters. The committee that made the investigation absolutely ignored those matters that were put in at the instance of the House conferees, and it was a jug-handled proposition from start to finish. They investigated what suited them to investigate, and did not investigate that which was put into the law at the instance of the House.

Mr. SNELL. Then am I right in my contention that they did not go back beyond 1911?

Mr. CRAMTON. The gentleman is right in that contention, and he is also right if the gentleman contends that they did not investigate many matters that the law intended them

to investigate. Without that language in there there would have been no agreement to that investigation. I am sure of that because I was one of the conferees.

Mr. ZIHLMAN. I will state to the gentleman that the very first item in the statement showing the expenditures made relates to moneys advanced by the United States to the District of Columbia for extraordinary improvements between the years 1902 and 1910.

Mr. BLANTON. Will the gentleman yield for just one moment?

Mr. ZIHLMAN. Yes.

Mr. BLANTON. The law specifically directed this commission to go back to July 1, 1874. I put excerpts from the hearings of this commission into the Record last Saturday showing conclusively that the commission did not go behind June 30, 1911. The gentleman will find them in the Record.

Mr. SNELL. I have read them.

Mr. BLANTON. And they show that when they reported this matter to Congress for the payment of nearly \$4,500,000 they did not go back beyond June 30, 1911, and the question then came up in the hearings of the commission itself whether or not they were complying with that direction of Congress. The chairman of the commission and another member of it claimed that they did not have the time to go back to 1874 and did not have the money to go back to 1874 as directed by Congress, and in order to obtain the money necessary they would have to go back to Congress for it; hence they did not go back of 1911. Not an item back beyond that was considered by the committee.

Mr. GILBERT. Mr. Chairman, will the gentleman yield there? I would like to call to the gentleman's attention a short extract from the report of the commission.

Mr. ZIHLMAN. I would prefer that the gentleman would do that in his own time.

Mr. GILBERT. I just want to call attention to this, that the committee say in their report that a further investigation was unnecessary, and they gave their reasons.

Mr. ZIHLMAN. Well, I wish the gentleman would read the reasons.

Mr. GILBERT. The report says:

No witness appearing before the committee has testified that a further detailed audit would be advisable, while, on the other hand, the citizens' joint committee, Representative JOHNSON of Kentucky and Mr. Thomas Hodgson, an employee of the Treasury Department, who stated the account for the District for more than 30 years, have all spoken against the necessity for or advisability of the same. No witness who has testified before the committee has been able to bring up any items of dispute which have not been investigated.

Your committee therefore believes that a further detailed audit would be a decided waste of time and money and would serve no good purpose. Neither is the same necessary, according to our belief, under the provisions of the act of June 29, 1922, which must be considered with reference to their practical effect.

Your committee therefore recommends that the investigations already made be taken as a basis upon which definite and final action should be had by the Congress.

For those reasons they did not go back.

Mr. ZIHLMAN. I wish to make a brief statement, and then I will yield time to any gentleman who desires time on this subject.

There has been no question raised but that this money was appropriated, and there should be no question as to its being credited to the funds of the District of Columbia and appropriated by Congress for District needs. The District of Columbia is now going through a period of transition in its fiscal relations with the Federal Government.

In 1878 Congress passed a law providing that the Federal Government should bear one-half of the expense of government here in the District of Columbia, and this was adhered to up to a few years ago, either in 1920 or in 1921, when Congress, by legislation on an appropriation bill, changed the 50-50 relationship existing between the District of Columbia and the Federal Government to a 60-40 system, providing that the District government should pay 60 per cent and the Federal Government 40 per cent of the expenses of the District of Columbia. Last year in an appropriation bill, contrary to existing law, by legislation on an appropriation bill, Congress provided for a lump-sum payment as the Federal Government's contribution to the expenses of the District of Columbia.

Now I am one of those who voted for the budget law—something that had been agitated as a separate bureau or branch of the Government for a quarter of a century; and I am of the opinion that it has been fairly successful in its

working as it relates to the various governmental departments. But I contend that this system, as applied to a municipality such as Washington is, is wrong and not productive of the best results in municipal government. If Congress is going to limit its contribution to the expenses of government here to a lump sum, which last year was \$9,600,000, then the taxpayers of the District are entitled to a more liberal attitude on the part of the Bureau of the Budget, who make up the estimates for submission to Congress, not only for the District of Columbia but also for all the various activities of the Government.

By what reasoning can we justify the wholesale slashing of the estimates submitted by the District Commissioners? Those estimates are made up by the executive officers of the District covering a period of 12 months, and are by them submitted to the District Commissioners, and after they have carefully gone over the same and approved the same they are sent to the Budget Bureau, and the Budget Bureau, seemingly with only one aim in mind, simply by the process of subtraction, reduces these estimates below the actual needs of the District of Columbia.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. I would prefer to have the gentleman wait until I finish this statement.

Some time ago this House spent an entire afternoon considering a bill authorizing an appropriation of \$1,000,000 for park purposes here in the District of Columbia, providing for the future needs of the District by authorizing a commission to acquire land in the States of Maryland and Virginia; and this authorization, which was made last June, and which did not carry anything for the fiscal year ending June 30 of this year, went to the Bureau of the Budget; and the Bureau of the Budget, notwithstanding the fact that Congress had voiced its sentiments in this matter—had voted down an amendment limiting the funds to \$600,000 each year and had voted down an amendment limiting the period of years to be covered by the act, limiting its operation to 10 years—notwithstanding that fact, the Bureau of the Budget simply cut the authorization to \$600,000, and from advance information we have from the newspapers the appropriation of \$600,000 is not to be made, although it was to cover a period from the time of the passage of the act last May to June 30, 1926.

Mr. CRAMTON. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. CRAMTON. The gentleman refers to the fact that the House voted down an amendment to lower the maximum that could be appropriated in any year. The fact that the House voted down an amendment to reduce the maximum that could be appropriated in any year does not mean that the maximum which was carried in the bill would have to be appropriated every year.

Mr. ZIHLMAN. I agree with the gentleman as to that, but I agree only in part. It is a question which you Members of Congress who are members of the various legislative committees—the Committee on Military Affairs, the Committee on Naval Affairs, and so on—should consider. Why should a committee meet day after day to consider legislation and authorize appropriations—because it has no power to appropriate money—and then have the Appropriations Committee and the Director of the Budget cut down the sum appropriated by Congress? We might just as well have spent the afternoon in viewing a ball game as to have spent the afternoon here in passing such a bill.

Mr. CARTER. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. CARTER. Does the gentleman contend that when an authorization is made that the Committee on Appropriations or the House is thereby bound to appropriate the full amount of that authorization? Does the gentleman think that such authorization takes away from the committee all discretion as to the recommendation to be made?

Mr. ZIHLMAN. Well, I would not go as far as to say that it takes away all authority in the premises, but this is an act of Congress, and when Congress authorizes money to be appropriated for a proposition and the actual needs of that proposition—such as this park proposition—are fully as much as the authorization, I believe Congress is in duty bound to carry out its formally expressed will and make that appropriation. We are now told, through advance information published in the newspapers, that the appropriation is to be cut out entirely and that nothing is to be appropriated for the fiscal year ending this year and the fiscal year ending June 30, 1926.

Mr. CARTER. I do not know anything about the gentleman's proposition per se, but I do take issue with him when

he states that when an authorization is made by Congress that Congress is in duty bound to appropriate that money, because I think discretion is still left with Congress to say whether or not it will appropriate that amount.

Mr. ZIHLMAN. But even agreeing with the gentleman from Oklahoma and admitting that that proposition is true, here is a proposition that has received the careful attention of the Congress, an authorization has been made and this money is to be appropriated and paid entirely by the taxpayers of the District of Columbia, and not one penny will come from the Federal Treasury; therefore, what justification is there for the Director of the Budget in cutting this sum when the District Commissioners must levy a tax rate that will raise the funds?

Mr. CARTER. The only justification I can see is the duty which Congress owes to the taxpayers of the District.

Mr. DALLINGER. Will the gentleman from Maryland yield for the purpose of permitting me to ask a question of the gentleman from Oklahoma?

Mr. ZIHLMAN. Yes.

Mr. DALLINGER. I would like to ask the gentleman from Oklahoma this question: If Congress authorizes a certain salary of \$5,000 a year does the gentleman think the Director of the Budget is justified in appropriating money enough only to pay \$3,000?

Mr. CARTER. The Budget has no power to appropriate; all the Budget can do is to recommend.

Mr. DALLINGER. But the Committee on Appropriations follows the recommendations of the Budget.

Mr. CARTER. The Budget has the power to recommend what it thinks is necessary, and I presume that if the Budget officers decided that a \$3,000 man had been put on the job the proper thing for them to do would be to recommend only \$3,000.

Mr. DALLINGER. Does not the gentleman know that when this matter of parks was taken up it was the intention—and Congress so understood—that that amount of money, \$1,100,000, was to be spent each year on a comprehensive park system, and the idea of Members who voted for it was that they were going to get the parks?

Mr. CARTER. I do not recall, and I told the gentleman from Maryland that I knew nothing about his proposition per se. What I was speaking about was the principle that Congress was bound to appropriate the amount that was authorized and would appropriate that amount. I took issue with the gentleman from Maryland because he said Congress was in duty bound to do that.

Mr. DALLINGER. Let me ask the gentleman from Oklahoma this question: What is the use of having committees pass these authorization bills if the Budget Bureau and the Committee on Appropriations are going to pay no attention to them?

Mr. CARTER. The Budget Bureau recommends and the Committee on Appropriations simply recommends to the House. Now, the reason for it is simply this: That the conditions might be completely changed after the authorization was made—within the next year or the next five years—and it might not be necessary to appropriate the full amount. If the gentleman should proceed upon the theory that because an amount is authorized it must be appropriated by Congress, then there would be no necessity for an Appropriations Committee; you might as well make the appropriation and not fool with an authorization.

Mr. CRAMTON. If the gentleman from Oklahoma will permit, I would like to say to the gentleman from Massachusetts that this authorization was not a stated, fixed amount, but is to be "not more than" a certain amount. Now, answering the gentleman's former question, if the law provides a salary of not more than \$10,000 a year the Budget is not bound to recommend \$10,000, and in the case of this park system it would be an absurdity to say that there must be an appropriation of \$1,200,000 each year perpetually. Eventually you would own all of the States of Maryland and Virginia.

Mr. DALLINGER. But does not the gentleman from Michigan think the intention of Congress was that a large sum of money should be appropriated each year to acquire land for parks in the District of Columbia before the land was taken up by private enterprises?

Mr. CRAMTON. What I am now saying is not to be taken as opposing a liberal appropriation this year or next year, but I do not want the idea to gain ground that when Congress authorizes an appropriation of not more than a certain amount, we have to each year, perpetually, appropriate the maximum.

Mr. DALLINGER. Of course, we do not have to, and no one claims that.

Mr. CHINDBLOM. If the gentleman will permit me to make the suggestion, the Holman rule exists for the very purpose of reducing appropriations by amendments, which otherwise would be out of order.

Mr. BLANTON. Will the gentleman from Maryland yield to allow me to answer that question?

Mr. ZIHLMAN. The gentleman is rather lengthy in his answers and I would prefer him to answer in his own time.

Mr. BLANTON. The gentleman from Maryland may want me to yield to him to explain some statements and I always yield.

Mr. ZIHLMAN. I yield.

Mr. BLANTON. Let me say to the gentleman from Massachusetts that when this \$1,100,000 park bill was before the House for passage and some objection was raised to it because the amount was too large to spend every year, the member of the committee having in charge that bill took the position on the floor of the House that because we authorized the appropriation was no reason why the Committee on Appropriations would have to furnish the money, and stated that the Committee on Appropriations could determine that matter, after all, by the amount of money they gave, and it does not behoove them now to come on the floor and complain because the Committee on Appropriations has seen fit to exercise its prerogatives in cutting the authorized appropriation down it has not done its duty. I agree with the gentleman from Oklahoma [Mr. CARTER] on the proposition.

Mr. DALLINGER. Does the gentleman from Texas mean to say that the power of the Committee on Appropriations to exercise its discretion justifies it in cutting the appropriation down to nothing?

Mr. BLANTON. Yes; if it wants to, and I am glad it has the power to do that. It is the only way on earth we have of saving money for the Government.

Mr. DALLINGER. Then, what is the use of passing authorization bills?

Mr. BLANTON. Most of the time they furnish the money, but once in a while they do use wise discretion and cut the amount down.

Mr. CARTER. The use of having an authorization is to restrict the committee in its recommendation.

Mr. BLANTON. And is to prevent points of order from being made.

Mr. ZIHLMAN. Mr. Chairman, no one questions the need of the District of Columbia for additional park space. I have particularly in mind the fact that we have now on the calendar a Senate bill authorizing the purchase of three tracts of land, one of them a very large tract and two of them smaller ones. Since that legislation has been considered by the District Committees of the two Houses, a part of one of those tracts has been covered over with a considerable amount of dirt from excavations made on near-by land, and a part of it is now not available. The trustees controlling the estate which is the present owner of the larger tract of the three, I am told, are not in favor of selling. After a most careful investigation by the District Commissioners and the committees of the two Houses, the proper safeguards being thrown around it, they have authorized by a report the purchase of this land, and now we are told that for this year and for the past year when the authorization was law, nothing will be appropriated for that purpose.

There is no one questions the need of the District for extensive street improvement. There is great necessity for the extension of the water mains in growing sections of the city and extension of the sewer system of the District of Columbia. The needs of the District are many, and why should not this \$4,438,000, which has been found to belong to the District, levied as taxes upon the District, be made available to be appropriated by Congress for the building of new schools and for the improvement of streets and for the extension of water mains and for the extension of sewage mains in the District of Columbia?

The committee, after a most careful investigation and after a complete audit, has found this sum as a free surplus which should be available for the needs of the District. The question has been raised as to whether Congress, because of the 50-50 policy, because of the fact they appropriate dollar for dollar to meet these needs, should not be in duty bound to appropriate a like sum in dedicating this money and authorizing its use for improvements here in the District of Columbia.

I sincerely trust that this bill, which is a Senate bill and which has passed that body and has been adopted by the District Committee of the House, will be adopted.

Mr. Chairman, I reserve the balance of my time.

ADJUSTMENT OF ACCOUNTS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA

The committee resumed its session.

Mr. BLANTON. Mr. Chairman and gentlemen of the committee, if the membership of this House could be here on the floor now and hear the indisputable facts that I am going to put before you, this bill would have no chance whatever on earth of passing, because the membership would be forced to the conclusion that it has no place here at this time.

I am going to show you by the record that in 1922 this Congress—

Mr. LINTHICUM. Mr. Chairman—

Mr. BLANTON. I wish the gentleman would let me make my statement first, and then I will yield.

Mr. LINTHICUM. Mr. Chairman, I think this bill is of sufficient importance to have a quorum, and I make the point there is no quorum on the floor.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-five Members present, not a quorum.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise, and on that motion I ask for tellers.

Tellers were ordered; and the Chair appointed as tellers the gentleman from Maryland [Mr. ZIHLMAN] and the gentleman from Texas [Mr. BLANTON].

The committee divided; and the tellers reported that there were no ayes and 70 noes.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 25]

Abernethy	Dickstein	Lee, Ga.	Rogers, Mass.
Aldrich	Dominick	Lindsay	Rogers, N. H.
Anderson	Doyle	Logan	Sabath
Arnold	Drewry	McFadden	Sanders, Ind.
Ayres	Driver	McKenzie	Schafer
Barkley	Eagan	McLaughlin, Nebr.	Schall
Beedy	Edmonds	McLeod	Sears, Nebr.
Begg	Fairchild	McNulty	Shallenberger
Berger	Faust	MacGregor	Sherwood
Black, N. Y.	Fish	Martin	Sites
Bloom	Frear	Mead	Smithwick
Bowling	Fredericks	Michaelson	Sprout, Kans.
Boylan	Freeman	Mills	Strong, Pa.
Briggs	French	Mooney	Sullivan
Britten	Fulbright	Moore, Ill.	Thompson
Browne, N. J.	Fulmer	Morin	Tillman
Buckley	Funk	Morris	Tincher
Burness	Gambrell	Nolan	Tinkham
Butler	Garber	O'Brien	Tucker
Canfield	Geran	O'Connell, N. Y.	Vare
Carew	Glatfelter	O'Connell, R. I.	Vestal
Celler	Goldsbrough	O'Connor, La.	Vinson, Ga.
Clague	Graham	O'Sullivan	Voigt
Clancy	Green	Oliver, N. Y.	Ward, N. Y.
Clark, Fla.	Griffin	Paige	Ward, N. C.
Cole, Ohio	Hawes	Perkins	Watson
Collins	Hickey	Perlman	Weller
Connolly, Pa.	Hull, Morton D.	Phillips	Welsh
Corning	Jacobstein	Porter	Wertz
Croll	Kent	Purnell	Wilson, Ind.
Crowther	Kerr	Quayle	Wingo
Cullen	Kiess	Ragon	Winslow
Curry	Kindred	Ransley	Winter
Davey	Knutson	Reed, Ark.	Wolf
Davis, Minn.	Kunz	Richards	Woodrum
Deal	Langley	Roach	Wyant
Dempsey	Larson, Minn.	Robinson, Iowa	
Denison	Leach	Robison, Ky.	

The committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill S. 703, had found itself without a quorum, and the roll being called, 281 Members answered to their names, and he presented a list of the absentees for printing in the Journal and RECORD.

The committee resumed its session.

Mr. BLANTON. Mr. Chairman, out of the hour and a half allotted I yield myself 20 minutes.

The CHAIRMAN (Mr. TILSON). The gentleman has used three minutes.

Mr. BLANTON. I yield myself 20 minutes in addition to the 3 minutes. Mr. Chairman and gentlemen, I did not call you gentlemen over here, but someone else did. I am glad you are here for I believe that if you will give me your attention and let me place some indisputable facts from the record before you this bill will not have any chance on earth to pass.

This bill involves \$4,438,154.78 of the people's money in the United States Treasury. The people of the District of Columbia are asking you to take it out of your constituents' Treasury and give it to them to spend. So the sum is large enough to warrant some consideration by you.

I am going to prove to you by the record that the commission that was appointed by Congress to investigate this matter did not carry out the will of Congress. I am going to show you by the record that you instructed that commission to go back to July 1, 1874, and make an accounting between the Government and the District. I am going to show you that instead of going back to July 1, 1874, like you instructed them to do, this commission did not go behind July 1, 1911; that they investigated only the fiscal affairs for 11 years. I am going to prove this by their own hearings.

Now, if they did not carry out the instructions given them by Congress, if what the gentleman from Michigan [Mr. Crampton] said is true, and it is true, that if you had not put into the resolution that they should go back to July 1, 1874, it never would have passed when the legislative rider was put on the bill in 1922, then their report is of no value whatever.

I am going to show that in the hearing of the commission, when the commission reported this matter to Congress, the question was then raised in the commission by our distinguished colleague, Mr. Wright—and I commend him for it—that they had not done what Congress told them to do. He said Congress told us to go back to July 1, 1874, and we have only gone back to July 1, 1911. We have not done what Congress said we should do. The commission then said in their hearing, "We have not the money; we have not had time to do what Congress told us, and we will make a report on what we have done." Instead of going back to July 1, 1874, as directed, they brought in a report and asked us to give the District \$4,438,154.78.

I am going to show you that the auditor of this District, Mr. Donovan, says that the reason they did not go back of 1911 is because our colleague from Kentucky, Mr. BEN JOHNSON, had done that. The gentleman from Montana [Mr. Evans], our colleague, who filed a minority report, says that the man who knows most about the fiscal relations of the District and the Government is BEN JOHNSON of Kentucky. Mr. Donovan, the auditor, said that the reason they did not go behind 1911 was that BEN JOHNSON, when he was chairman of the Committee on the District of Columbia, had auditors to investigate that period from July 1, 1874, up to July 1, 1911, and that he had an account and auditing for that period. I am going to show you that instead of that being the case—I will show you over the signature of the gentleman from Kentucky [Mr. JOHNSON] that he did not do it; that he did not go back to 1874, but his audits covered only certain specific items, and instead of our owing the District \$4,438,154.78, he said that the District owes the Government and the people \$50,000,000. That is the statement of Mr. BEN JOHNSON.

Now, let us see what the facts are as shown by the record. Here is what we authorized this commission to do. Let me call your attention to this. That was not a bill that came from a legislative committee, but it was a rider on an appropriation bill that created this commission, and you did not have an opportunity to come in and consider it and pass your judgment on it.

You did not have a chance to argue it. It was a legislative item put on an appropriation bill, not from the floor of the House where you were considering the bill, but it was a rider put on in conference and you knew nothing about it. I warrant that there were not 25 Members of Congress who knew about the creation of that commission when those 5 members of the Committee on Appropriations met in conference with Senators and put it on. Here is what Congress said—and I read from the act of June 29, 1922, that created this commission:

A joint select committee composed of three Senators, to be appointed by the President of the Senate, and three Representatives, to be appointed by the Speaker of the House of Representatives, is created and is authorized and directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874, with a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District, or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District.

If we directed them to go back to July 1, 1874, and they went back only to July 1, 1911, then they have not carried out our instructions and their report comes to us prematurely, and it ought not to be considered by us. Let me show you that they did not go back of July 1, 1911. I read from the hearings of this commission itself, presided over, as was stated by the gen-

tleman from Maryland, by the Senator from Colorado [Mr. PHIPPS]. Listen to the question that came up when they made this report. I read from their hearings:

Representative WRIGHT. Mr. Chairman, I am impressed that the legislation which created this committee contemplated that the entire period from 1874 on up should be covered, and, if it be necessary, to render a report which would finally settle these mooted questions between the United States and the District of Columbia; in other words, when this report shall have been filed that Congress can take such action upon it as will finally set at rest these disputed items. I think that was thoroughly in contemplation when the legislation was passed.

Now, the chairman has suggested that only 11 years of that period have been covered, and that that, coupled with the formal report, might clear up the situation so that a comprehensive report might be submitted by this committee.

It has developed that the examination of those 11 years alone has consumed practically all the time—

Representative HARDY of Colorado. And all the money.

Representative WRIGHT (continuing). And all the money; so that this committee has very little time to formulate a report, and the question arises as to whether we have sufficient data or information now to render that report.

This thought occurs to me: What would be the status of this committee after the 29th of February, which is the date fixed as that upon which we should render this report? If we submit a preliminary report, would we not necessarily have to ask Congress to extend our time and make an additional authorization of appropriation for the work?

Senator BALL. Would you suggest a preliminary report?

Representative WRIGHT. I think that would be the sensible thing to do. I hardly see how it would be physically possible for this committee to thoroughly investigate all of these items, with the issues which have been raised here, between now and the first Monday in February.

Senator BALL. Personally I would rather submit no report until we were ready with our final report. We might make a statement in this preliminary report, if one were submitted, that we would find afterwards was not well founded and it would be in existence and would be quoted in the future, probably, against our final report.

Representative WRIGHT. I would certainly want to avoid what the Senator suggests. If you made a preliminary report, it would not particularly bind anybody. My idea would be to have Haskins & Sells submit a preliminary report.

The CHAIRMAN. A preliminary report could be in two forms, as I see it, one including the figures or recommendations and another which would be practically a report of progress with an explanation of the situation that has developed.

Senator BALL. That is the kind of report I would like to see.

The CHAIRMAN. With a recommendation for further time and, if necessary, that further money be allowed for the purpose.

But without asking for further time, without asking for further money, that committee brought in its premature report, having gone back only to 1911, when they should have gone back to 1874, and when they discussed and realized that they should have gone back to 1874, and they recommend that this Congress take \$4,438,154.78 out of the Treasury of the United States and hand it over to the people of the District. Let us see what Congressman Evans says about it in his minority report—and I want to commend that splendid Representative, whom we have lost from our midst, who has gone home to serve his people in a private capacity. He made a splendid report upon this.

Mr. HUDSPETH. Is that Mr. Evans, of Nebraska?

Mr. BLANTON. Yes. He says that he can not agree with that commission, and he tells you the following reasons, first in brief, and then goes on and expatiates them:

The undersigned is unable to agree with the findings and conclusions of the majority of the committee for the following reasons:

(1) The construction of the act raising the committee as made by the majority report is erroneous, and the same objection lies as to the construction or effect of other acts bearing upon or affecting the matter investigated by the committee.

(2) The investigation made by the committee has covered neither the period nor the extent that Congress directed.

(3) The finding by the majority of a balance or surplus of \$4,438,154.92 as due to the District of Columbia is not supported by facts or law.

The language of the act under which the committee was created is clear and positive in its authorization and directions. There is, as to the points upon which the majority of the committee and the writer differ, no ambiguity in the language of the act.

The purpose Congress had in creating the joint select committee was to discover and report to Congress all facts bearing on the fiscal relations between the District of Columbia, hereinafter called the

District, and the United States, hereinafter called the Government, in order that Congress might be able to determine the exact state of such fiscal relations. Such a discovery and report has not been made.

The alleged surplus reported by the majority of the committee is not based on such facts or information so gathered, because not all of such facts or information was gathered or searched for. In addition it was desired to have fixed accurately and authoritatively the amounts contributed by the District and the Government, respectively, for "maintaining, upbuilding, or beautifying said District, or for the purpose of conducting its governmental activities and agencies or for the furnishing of conveniences, comforts, and necessities to the people of said District." This direction of Congress has been ignored or so performed as to amount to a disregard of the congressional mandate.

I

The construction of the act raising the committee as made by the majority is erroneous, and the same objection lies to the construction of other acts bearing upon or affecting the investigations by the committee.

The act "authorizes and directs" inquiry into all matters pertaining to the fiscal relations between the District and the Government since July 1, 1874.

First, there is no question but that the act is mandatory. It is not left to the choice or desire of the committee or a majority of the committee to determine whether it is best or proper or just to go into the subject matter presented for inquiry, and the act is equally specific as to the extent. It covers "all matters" pertaining to the fiscal relations * * * since July 1, 1874.

What did the committee do under this authorization and direction? It secured the services of Haskins & Sells, accountants, and secured through them an audit of the District general fund from June 30, 1911, to June 30, 1922. It secured a calculation and stating of the amount of interest on a portion only of the fund found due from one to the other. It inquired of certain persons if they knew of any other items unsettled in the accounts between these interests. It had submitted to it a report of a previous audit made by persons in no way responsible to it, and so far as known such report could not be vouched for as a complete and comprehensive audit of the period prior to June 30, 1911.

They did not go beyond June 30, 1911, except to consider two reports previously made at the instance of Congressman JOHNSON of Kentucky on only certain items of certain years. We directed them to go back 48 years. They went back only to June 30, 1911. They did not cover 37 years of the investigation that we directed them to make. Just to segregate 11 years and leave out the other 37 is not to act in conformity with the direction of Congress. They had no right to presume that an audit had been made balancing accounts up to July 1, 1911, which they did.

Notice what the District auditor says. He admits himself that they did not go back of July 1, 1911. Mr. Donovan is the auditor of the District of Columbia. He is a property owner in the District of Columbia. He is a citizen of the District. He is personally interested in the outcome of this case, and if this four and a half million dollars, approximately, is taken out of the Treasury and given to the people of the District every property owner here, including himself, is affected by it financially; every property owner here is benefited by it financially.

The CHAIRMAN. The gentleman has consumed 20 minutes.

Mr. BLANTON. I am going to be bold enough to take 20 minutes more.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HUDSPETH. I am a property owner in the District of Columbia, but I am not going to vote for this bill. Is it the gentleman's contention that if this committee had gone back 48 years they would have found that the Government owed the city, or that the city owed the Government?

Mr. BLANTON. I am going to show you that BEN JOHNSON, whom everybody admits knows more about the fiscal relations of the District of Columbia and the Government of the United States than any other living man, says that if you will go back to 1874 and carry out the mandate of Congress, instead of the Government owing the District, you will find that the District owes the Government at least \$50,000,000.

I am sorry that the gentleman from Kentucky is going to leave this Congress. I will tell you what I did the other day. There was a little item of \$15,000 in the Army appropriation bill. It did not affect BEN JOHNSON personally; it did not bring one more cent into his pocket, but he was interested in it because it did honor to a former distinguished public servant of the Union. He wanted to see that passed. It was subject to a point of order, but considering the fact that for

years BEN JOHNSON had spent nights and days in his office looking out for the welfare of the taxpayers of this country when he was on the District Committee, which arduous position will work any man on God's earth to death who is conscientious, I sat in my seat and let the item pass without making the point of order against it. I thought that much consideration was due our colleague. It is a loss to this Government that he is going out of Congress. I have inherited some of his papers which he has had on file in his office, and I thank him for them. There is no telling how much benefit they will be to me in my investigations of the District affairs.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HARDY. Of course, the gentleman knows that Mr. JOHNSON thought that he could charge 50 per cent more against the District because he wanted to charge the District with 50 per cent of the cost of the Congressional Library, with 50 per cent of the cost of the Lincoln Memorial, and 50 per cent of the cost of various institutions and parks and monuments that are in this city as an offset to this surplus.

Mr. BLANTON. My colleague from Colorado is a distinguished editor. You know the 74 newspapers in my district sometimes reproduce his able and interesting articles that he writes over the country. He is a splendid editor, an able Representative, but when we direct him to go back to 1874 and make an accounting and an audit that involves four and a half million dollars of the public money, and then he goes back only to 1911 and is satisfied, I say he is a very poor accountant for the people.

Mr. TABER. Will the gentleman yield?

Mr. BLANTON. I will yield.

Mr. TABER. My attention has been called to the last paragraph on page 4 of this bill—

Mr. BLANTON. I have not yet gotten past the first paragraph.

Mr. LOZIER. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. LOZIER. If these gentlemen constituting this joint committee had been appointed referees by a court under order to state an accounting running over 48 years and as such referees only stated an accounting running over 11 years—

Mr. BLANTON. The court would set their audit aside. That is what I am asking you jurists to do with this so-called audit, for you are the jurists on this question. The members of this commission have not done what we told them to do. We appointed them as our referees and directed them to make an auditing of 48 years from July 1, 1874, on up, and they only went back to 1911 and covered only 11 years, and I say their audit is of no account, and I say this court, in all equity to the people, our taxpayers who are burdened at home, ought to disregard it, especially when it is admitted by the gentleman—

Mr. HARDY. Will the gentleman yield?

Mr. BLANTON. Certainly; I like the gentleman from Colorado.

Mr. HARDY. I like the gentleman from Texas, and I appreciate the advertising he has given me.

Mr. BLANTON. Well, it is deserved.

Mr. HARDY. Now, as referees, as the gentleman calls the committee, we did not go into these matters back to 1874, because we found a very complete auditing and investigation had been made.

Mr. BLANTON. The gentleman speaks of the audits caused to be made by Mr. JOHNSON?

Mr. HARDY. I am speaking of the Mays audit.

Mr. BLANTON. The so-called Mays audit under Chairman JOHNSON. Is not that it, under Chairman JOHNSON?

Mr. HARDY. I do not know whether it was under Chairman JOHNSON or not.

Mr. BLANTON. Was it not under Chairman JOHNSON, when he was chairman of the District Committee?

Mr. HARDY. The gentleman makes that statement.

Mr. BLANTON. Then I know more about this than our referee knows, because I know that to be a fact. Chairman JOHNSON had that done, and it was done concerning only certain specific items and did not cover a general audit of the fiscal relations from 1874 down.

Mr. HARDY. It covered it pretty generally, and through those audits—

Mr. BLANTON. If the gentleman from Colorado does not know more about that—that Mays audit—than that, then I know more than the gentleman. Chairman JOHNSON had that done.

Mr. HARDY. I do not know more than the gentleman, but—

Mr. BLANTON. I have a statement here in the RECORD over his own signature that that does not cover the general fiscal relations of the District from 1874 down, but only certain specific items.

Mr. HARDY. All right. Under the Mays audit there were brought in different items totaling up \$2,049,000 which charged interest and then comes along the Spaulding investigation and audit—

Mr. BLANTON. Has the gentleman read the Mays and Spaulding reports?

Mr. HARDY. Not every line.

Mr. BLANTON. I have, and therefore claim that I know more than the gentleman does about the two reports.

Mr. HARDY. The gentleman may know more than the gentleman from Colorado.

Mr. BLANTON. I think I have gone more into this case than my friend from Colorado.

Mr. HARDY. I do not doubt that for a moment, but in the interpretation of the whole question I differ with Mr. JOHNSON and the gentleman from Texas. I do not believe it should take into account the Congressional Library—

Mr. BLANTON. Will the distinguished gentleman from Colorado do this. The gentleman from Maryland has plenty of time and is going to yield the gentleman some time later on.

Mr. KETCHAM. The gentleman was speaking of what Mr. Donovan said.

Mr. BLANTON. Now I am going to show you exactly what Mr. Donovan said. He ought to know whether or not they went back of 1911. He was District auditor. He was the man trying to take this four and one-half million dollars of the people's money and give it to the District, and let us see what he said. Mr. Donovan said this:

Mr. DONOVAN. To go back for a moment to a previous investigation—because it enters into this question in view of what Mr. BLANTON has said—the joint select committee appointed under the act of June 29, 1922, did not go back of any period prior to July 1, 1911, but continued its examination only from that point down to and including June 30, 1922, and the reason was this: During the time that Mr. BEN JOHNSON was chairman of the Committee on the District of Columbia of the House of Representatives he had got through the House a resolution providing for an investigation into the fiscal relations between the United States and the District covering the period between July 1, 1874, and June 30, 1911.

Does the gentleman from Colorado deny that? Does he say that Auditor Donovan, who is still auditor of this District, does not know what he is talking about? He can not do it, because it is indisputable. Donovan said they did not go behind July 1, 1911. Donovan says they did not do it; why? Because he said Mr. BEN JOHNSON, who was chairman of the District Committee, had gotten a resolution through Congress to investigate this particular period of 37 years from July 1, 1874, to June 30, 1911, which was not covered by the special committee. The gentleman says that because JOHNSON had had this audit already made they did not go back of that date of 1911. Now, listen to what Mr. JOHNSON says about it. I am sorry he is not here to-day; I wish he were, but I am thankful I have his statement in this RECORD over his own signature that I put in here last Saturday, and I want to show you what he said.

Here is what I wrote him. I immediately wrote him when Mr. Donovan made that statement. This letter was written on June 5, 1924, just two days before we adjourned. We adjourned on June 7. I was on the job then, just two days before adjournment, on this subject, because I was looking for the bill to be pressed through to passage here in the dying hours of that session of Congress. I will read the letter I wrote to him. It is as follows:

WASHINGTON, D. C., June 5, 1924.

Hon. BEN JOHNSON, M. C.,

House Office Building.

MY DEAR COLLEAGUE: With reference to the so-called surplus alleged to be due the District of Columbia by the Government, Mr. Daniel J. Donovan, the auditor for the District, testified that the reason the joint congressional committee created June 29, 1922, confined its investigations to the period between June 30, 1911, and June 30, 1922, and did not go back to July 1, 1874, as directed by Congress, was because you had fully covered the period between July 1, 1874, and July 1, 1922, in an investigation you had conducted while chairman of the District Committee. And he claimed that you had balanced accounts up to July 1, 1911.

From my conversations with you and in examining many speeches made by you on the many ways the District has overreached the Government on finances, I am constrained to believe that Auditor Donovan is mistaken.

Will you kindly advise me whether you did, in fact, cover all matters involved between July 1, 1874, and July 1, 1911, and whether you agree that the District balanced accounts up to July 1, 1911.

Sincerely yours,

THOMAS L. BLANTON.

Here is his answer, written on the very same day, June 5, 1924:

[BEN JOHNSON, M. C., fourth Kentucky district. Member Appropriations Committee]

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 5, 1924.

HON. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: I am just in receipt of your note asking whether or not, in my opinion, all matters relative to the fiscal relations between the District of Columbia and the United States Government were covered by the investigations made by the Committee on the District of Columbia while I was chairman of that committee.

In reply thereto I wish to say that not only is the statement made by Mr. Donovan incorrect, but that it was never contemplated under the authority given by the House to the District Committee to go into the entire fiscal relations between the United States and the District of Columbia. The authority given and the work undertaken included nothing more than to recover specific items due the United States from the District of Columbia.

In those items were embraced considerably more than a million dollars owing to the United States by the District of Columbia on account of the lunatic asylum, approximately half a million dollars on account of the Center Market, and various other items on account of advancements made for schoolhouse purposes, the jail, the 3.65 bonds, and a number of other items which I can not now enumerate.

Not the Congressional Library; not the great Lincoln Memorial; not the items which our friend from Colorado [Mr. HARRY] suggested Mr. JOHNSON wanted pay for, and an accounting! BEN JOHNSON did not want these amounts repaid. He has never sought to make the people of the District of Columbia pay for the Congressional Library; he had never sought to make them pay for the Lincoln Memorial; he had never sought to make them pay for the million dollar Connecticut Avenue Bridge; but he did want to charge them with the care and maintenance of their own lunatics here in the District. He thought the District ought to pay for them, and he did charge them up when he had that audit of his made. Now let me continue reading the balance of his letter. BEN JOHNSON says:

When I retired from the chairmanship of the District Committee I invited the attention of my successor to several other items which, beyond any sort of doubt, were due to the United States by the District of Columbia and volunteered my assistance in helping him to develop them, so that they might be paid. The resolution which would have authorized additional payments to the United States by the District was never asked for, and my offer to designate the specific sums due the United States was not availed of.

In my opinion large sums of money are still owing to the United States by the District between the 1st of July, 1874, and the 1st of July, 1911.

The CHAIRMAN. Will the gentleman from Texas suspend a moment while the committee rises informally to receive a message from the Senate?

Mr. BLANTON. Certainly.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 62) to create two judicial districts within the State of Indiana, the establishment of judicial divisions therein, and for other purposes.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 10404) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1926, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. McNARY, Mr. JONES of Washington, Mr. CAPPER, Mr. SMITH, and Mr. OVERMAN as the conferees on the part of the Senate.

ADJUSTMENT OF ACCOUNTS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA

The SPEAKER. The committee will resume its session.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] has five minutes remaining of the time he allotted to himself.

Mr. BLANTON. Mr. Chairman, let me read the conclusion of the letter from the Hon. BEN JOHNSON. He says:

I notice in the local papers that those who are designated as "friends of the District" are asking for another investigation into the fiscal relations between the District of Columbia and the United States. In my opinion the "special committee" now being asked for to once more inquire into these relations is but an excuse to avoid the real issue. It is easily ascertainable that every time the District of Columbia has been called upon to pay a decent rate of taxes without infringing upon the rights of the people of other States to help them pay their taxes they have resorted to a "special committee" to inquire into the fiscal relations between the District of Columbia and the United States. It is not the investigation that they want. Instead, it is delay and a lack of adjustment that they desire by seeking an investigation.

The last investigation, with all due respect to those who conducted it, was farcical. That "special committee" was particularly directed to make specific findings. If they had complied with the law made two years ago, they could not possibly have failed to find the District of Columbia indebted to the United States in excess of \$50,000,000 spent in beautifying and upbuilding the District of Columbia.

Instead of going into the matter in detail, they treated the proposition in a blanket way and found that the United States owes the District of Columbia what is now known as "the four and one-half million dollar surplus"; while, as I have said, if they had followed the directions of the law the balance would have been on the other side of the ledger in an amount certainly not less than \$50,000,000.

Very truly yours,

BEN JOHNSON.

That letter is signed "BEN JOHNSON." What are you going to do with this matter? Let me tell you what you as lawyers would do if you were picking a jury to try a \$4,500,000 case. You would not pick anybody on that jury who was interested in the outcome of the case, would you? You would not pick a man, let him be preacher, let him be university professor, let him be any other man of high moral standing, of the highest moral standing you had in the community; you would not pick him if he was interested in the case. You would want men who have no interest whatever in the outcome. And if a man sat on that jury—it would not be a reflection on his honesty or integrity—who had an interest in the case, you would excuse him, because it is known to the law that when a man is interested in a transaction his judgment is warped, sometimes. He may be as honest as he can be, but his judgment is warped and biased. You therefore cut him off. But if he sits on the jury, and if after verdict you develop the facts pertaining to his interest which beforehand he failed to disclose, and you asked the court to do so in a motion for a new trial, he would set the verdict aside.

If you do not agree with me on that proposition I want to yield time to anyone who says that is not right. The law says that if we Congressmen are interested in the outcome of a matter we can not vote on it.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COLE of Iowa. Why did not that commission go back to find the facts?

Mr. BLANTON. They said BEN JOHNSON had done it, and he asserts that he had not.

Mr. COLE of Iowa. Could they not go back?

Mr. BLANTON. They said they did not have time to go back behind 1911, and did not have the money or the time to go back to 1874, as directed.

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ALLGOOD. How did they make the audit?

Mr. BLANTON. They had accountants make an investigation from July 1, 1911, to July 1, 1922.

Mr. BOX. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BOX. Has the gentleman made such an examination of the facts respecting the accounts from 1874 to 1911 as to determine whether or not they omitted any material matter?

Mr. BLANTON. Yes. I agree with Mr. JOHNSON of Kentucky in the statement that if they had gone back to 1874, as this law directed them to go, they would have come back showing an indebtedness on the part of the District amounting, perhaps, to \$50,000,000.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I will yield to myself 10 minutes more.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LINTHICUM. I understand that even if we set aside this \$4,500,000, it is still subject to the action of Congress. We do not turn it over directly to the District, but Congress can appropriate it for the benefit of the District.

Mr. BLANTON. The Treasurer would credit it to the District of Columbia. Every man in this District benefits by it who owns property here, as it will reduce his taxes. We credit it to the District. It is for the benefit of the District property owners. That is why you find Theodore Noyes in the Star yesterday devoting a whole column on the first page and a double column on another page and another column alongside of it and then most of a column editorial to arguments for this credit. That is why you find the newspapers of Washington, who are large taxpayers here, every time I stand in their way, trying to ruin me with unjust attacks. That is why the gentleman's newspaper in Baltimore, the Baltimore Sun, made a little measly, dirty attack upon me the other day that was neither just nor ethical.

It is because I stand here on this floor and am not afraid to fight against steals that take huge sums of money out of the people's Treasury that they try to hamstring me; but it does not hurt me, either here among you colleagues or among the people down home who know me. I can always get a bigger majority of my 315,000 loyal constituents in my district to back me than the editor of the Sun can get to back him in Baltimore or elsewhere.

Mr. LINTHICUM. I do not know what the Sun said about it, but I know that the administration of the city of Baltimore has in its treasury, or had at the beginning of this year, a surplus of over \$7,000,000.

Mr. BLANTON. Oh, there are lots of things about Baltimore that are first class. There are lots of things in Baltimore that I admire. I take my hat off to Baltimore, although I do not agree on certain public questions with that distinguished gentleman from Baltimore, Colonel HILL, the white charger rider.

Mr. LINTHICUM. Getting back to my question, this \$4,438,000 will be subject to the action of Congress.

Mr. BLANTON. But it would belong to the people of the District, for it is to be credited to them. Now, let me say this: The author of this bill—it is a Senate bill—is a splendid gentleman. There is no question about that. He is honorable. There is no question about that. I admire many things about him, and I make no attack on his integrity, but I want to say this: That he benefits by this bill as much as any of the citizens in this District because he is a millionaire and owns valuable property in the District of Columbia. Here is his residence property [indicating two photographs]. It is worth \$200,000; but year before last, when the tax rate here was \$1.20, instead of its being assessed at \$200,000—and I can prove it is worth \$200,000—it was assessed at \$95,010, and at the then \$1.20 tax rate he paid \$1,140.12 in taxes on that property. If you put this \$4,438,154.78 into the treasury of the District, it benefits him as a local property owner. You can not get away from that. I am not reflecting on his integrity nor upon his honor, because he is as honorable as I am, but with that great property interest he should not have sat on this case.

Mr. McSWAIN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McSWAIN. Does the gentleman whom the speaker has referred to own any real estate other than his residence?

Mr. BLANTON. I have been told that, but I can not say positively, because I did not investigate it fully. However, I do know this: I know that he then owned enough lots on Twenty-ninth Street NW., connected with that residence, upon which you could build two ordinary residences with the usual 25-foot frontage each. But I would not like to say what I have heard, because I have not checked same up. I do know about the above-mentioned property and the amount of taxes I have given. I want to say this: I know he thinks that such ownership would not influence his actions at all, and I know some of you would say, "BLANTON, I do not believe it would; it would not influence mine." But you would not let me sit on the jury in court if I owned that much property and was going to pass on this \$4,500,000 that benefits all property owners. You would not allow me to sit on the jury, and you know it. If there is a lawyer here who would let one so interested sit on the jury, I want him to get up now and let me see who he is. If I were interested in a \$4,500,000 proposition where it was going to be turned over to the people of a town in which I owned property that was assessed \$95,000, and that money would reduce my taxes, I want to see the lawyer who

would let me sit on that case and decide it. I am not backbiting anybody; I am just talking facts in behalf of the tax-burdened people back at home.

The tax rate here was \$1.20 until this year, and, since we changed the fiscal relations under the Cramton amendment, it is now \$1.40 on the \$100—and do you know how much the Cramton amendment raised the taxes here? Why, our friend CRAMTON thinks he has done a wonderful thing for the people of the United States.

I am with him on prohibition; he is doing fine work on prohibition, but he did not do anything worth mentioning under that amendment. That was farcical. It caused a tax increase here of just 20 cents on the \$100, so instead of paying \$1.20 District of Columbia people are paying now \$1.40 on the \$100, and your people back home, your tax-burdened people, your farmers riding the plows in the fields, and their wives and little children riding the plows, are taxed from \$2.75 on up to \$6 on the \$100.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. Certainly, to the gentleman from Michigan.

Mr. CRAMTON. I do not agree with all the gentleman has said—

Mr. BLANTON. But the gentleman agrees with much I have said. [Laughter.]

Mr. CRAMTON. Well, it is easy to do that, but to reenforce what the gentleman has said I want to emphasize that the \$1.40 which they are paying now—notwithstanding this nefarious Cramton amendment—includes the creation of a fund so that they can take care of their own expenditures. In other words—

Mr. BLANTON. But that is for the benefit of the people who live here, while I was looking at the matter from the angle of the people back home.

Mr. CRAMTON. I want the gentleman to get my point of view. The \$1.40 they are now paying is not all required to take care of their actual expenditures, and if it were not for the accumulation of this fund they would not be paying more than \$1.20 or \$1.25.

Mr. BLANTON. I will tell you what you do. You help pay the salaries of their judges out of the United States Treasury. You have paid 50 per cent on all the buildings in which they hold court. That was under the 50-50 plan. You have heretofore paid 50 per cent of all the expenses of the courts out of the United States Treasury, and then you turn over all the receipts now to them under the Cramton proposition. You have paid 90 per cent of all the paving of the streets and alleys in this District, one-half out of the United States Treasury.

Your taxpayers and mine have paid it, 50 per cent of it in the past years, and since the law was changed you have paid 40 per cent, and now a little less, yet all the money received from the gasoline tax on automobiles you give to the District. The people who live in the District are favored people. You give them their fines and forfeitures. You give them fees from lots of things. You furnish them a market house here, a \$1,000,000 market house for them to buy their food in, the Center Market. You have been paying until recently 50 per cent of the cost of the 900 policemen who guard the city and the residences here; you have paid 50 per cent until recently, when it was changed to 40 per cent, and then you paid a little less than 40 per cent later, of the cost of the 900 firemen who protect the city and the residences from fire. What interest did El Paso have in this Kann fire Saturday night, where every fire apparatus in the city was present, this Kann warehouse fire? What interest did El Paso have? None. It was a local matter here in the District of Columbia.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BLANTON. How much time have I left, Mr. Chairman?

The CHAIRMAN. The gentleman has 37 minutes remaining.

Mr. BLANTON. I am going to take 7 minutes more and then I will not take any more time, because I want to yield some time to others.

Did you know that Muscle Shoals has been bothering Congress? We have there a \$100,000,000 power plant, paid for by the people, and we have not known what to do with it. We have it on our hands and you tried to give it away at the last session of this Congress, just before we adjourned. I fought against it; but if the Senate had passed the bill as you passed it, it would have been given away to Henry Ford for 100 years, because you did not know what else to do with it. But I sat in my committee last Wednesday and they reported out a bill, over my objection, to dam up the Potomac at Great Falls.

It is not a river and harbor proposition connected with navigation. They do not claim that. It is a power project pure and simple, to give the people here in the District cheaper light, as they claim, and they said it would not cost more than \$44,000,000, and I had expert testimony there from engineers

such as Mr. Cassidy, who is a member of the great engineering society here in the United States, who said it would cost at least \$80,000,000 to build it.

Mr. BYRNS of Tennessee. Who is going to pay for it?

Mr. BLANTON. The people of this Government are going to pay for it, your people and my people, if they pass that bill, and that bill will be in here in a few days and you will be asked to pass the bill for the poor people of Washington.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. UNDERHILL. How much water will there be in that creek in July and August?

Mr. BLANTON. The gentleman from Massachusetts [Mr. UNDERHILL] is not in favor of that bill, and I do not know what I would do in that committee if it was not for him. By jimmie, he has a clear mind once in a while. [Laughter and applause.] Last summer, when campaigns were on, photographs were made of the river, taken in July and August of last year, that I want to show you—a little, trickling stream running between those rocks that would not fill a reservoir in months. The gentleman from Texas [Mr. HUDSPETH] down on his goat and sheep ranch near old Mexico has streams that would fill bigger reservoirs in the summer time than this Potomac River at that point. Devils River on his ranch would do it.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. HULL of Iowa. What do the experts claim that river will develop in primary horsepower?

Mr. BLANTON. I have not time to discuss it further just now. They claim it will furnish cheaper light, but Mr. Ham, who, by the way, in my judgment was sitting back there hoping the bill would pass, but making a sham fight against it, produced some evidence that showed it would cost the people of the District more than it is costing them now to produce their lighting system.

In that committee, do you know what I heard one of my colleagues say? I heard him say, "Why, I do not believe in the people of the District of Columbia having to furnish water to this Government; it is a shame that the people of the District should have to furnish water to the Government." This showed the gentleman did not know a thing on earth about the subject. If the gentleman had known what I know, he would have known that your people back home, this Government, owns the main, original conduit that brings the water from up the Potomac into this city. Not a dollar have the people of this District paid for this water conduit, and on this new water system, upon which millions have been spent in the last few years and are being spent now, your people and mine have furnished 40 per cent of every dollar of it. The gentleman did not know about that. He had heard these local papers lambast Congress so much about not handing out great, big sums to the District he was misled by them.

In conclusion, let me say that this bill ought not to pass. It would be a shame to pass this bill. It would not be just to the taxpayers back home. You can not go home and square yourselves when they pin you down and make you tell them why you passed this bill. You know that as well as I do. When they say, "Mr. Congressman, we people of this State are paying for all our own schools and schoolbooks for our children and for our own playgrounds. Why is it, Mr. Congressman, that you have allowed us, in addition to paying for our own children, to pay 50 per cent in years gone by for all the school buildings in Washington and to pay 50 per cent of the salary of the 2,600 teachers that teach those children, and had us to help to pay for all their schoolbooks and all their playgrounds and their parks; why have you made us do that, and why do you still want us to pay \$9,000,000 a year of their expenses? Tell us, Mr. Congressman, why you want us to do it?" That is the only time that our colleague's mouth would close up and he could not open it. [Laughter and applause.]

Mr. HOWARD of Nebraska. Will the gentleman yield for information, please?

Mr. BLANTON. Certainly.

Mr. HOWARD of Nebraska. I understand the gentleman from Texas to say that he and the gentleman from Massachusetts are in perfect accord on this bill.

Mr. BLANTON. Which gentleman from Massachusetts—there are so many of them and they are of such different opinions.

Mr. HUDSPETH. The gentleman from Massachusetts [Mr. UNDERHILL].

Mr. BLANTON. Not on this bill. I said sometimes he has a clear moment. [Laughter.] On the water power bill the gentleman and myself are together, and we are together on

many bills. Where the Constitution has had a freight train run through it by our committee he stands up there with me and fights.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I reserve the balance of my time and will yield it later.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from Colorado [Mr. HARDY].

Mr. HARDY. Mr. Chairman, I can not hope to compete with the worthy gentleman from Texas in oratory or in figures. I will say that the gentleman has gone into these matters quite fully and so has the gentleman from Kentucky [Mr. JOHNSON], whom he lauds so highly.

The main point at issue is a difference of opinion or judgment as to how much and what might be charged against the District of Columbia. This little surplus which the gentleman talked about at the last moment and said it might startle our folks back home if they knew we appropriated that for the District of Columbia is so small compared with what you have voted for in the years past that it does not amount to very much.

We have paid from the United States Treasury for the benefit of the District something like \$190,000,000 in years past. In talking about various other items of interest we are losing sight of the facts in this particular case. I will say, as a member of the joint committee, that the joint committee spent weeks looking into this matter pretty fully. None of the Members of Congress who are members of the joint committee are professional accountants and do not profess to be able to analyze every figure in the report perhaps as well as some other gentlemen are able to do. I know that we employed one of the best firms of accountants in the United States to go into these matters. We took up the Mays report which had been made quite full, and the Spaulding report which followed that. We found that under the Mays report there was \$2,049,969.76 that had been charged against the District and by law had been collected. Under the Spaulding report there was \$394,188.38 which had been found due the United States by the District and by law had been collected. Many of the laws passed by this Congress settling these matters stated that they were in full. Take the case of St. Elizabeths Hospital, which has been mentioned. The act which authorized the collection of \$1,002,290.33 from the District on that account specifically said that it was "to further reimburse the United States in full."

I say in a general way this joint committee did go into those things. It did not have a detailed audit of all the books from 1874 down, but it had the advantage of all these reports. Then it brought before this committee all the people it could find who had some knowledge of these matters. It brought Mr. Spaulding before the committee, it brought Mr. Thomas Hodgson who had been in the Treasury Department for 30 years and had written the items for the District over 30 years, and it questioned them in detail where any particular point could be brought up. It considered every item suggested by these people, including the gentleman from Kentucky [Mr. JOHNSON], who discussed various phases of the items.

Now, the \$50,000,000 which some say might be charged against the District can only be arrived at if you go back and say that Congress ought to have done many things that it did not do. We followed the law as the law was on the statute books, and did not try to make the law say something it did not say.

The question of interest comes up. Some gentlemen think we ought to have charged the District a certain rate of interest on the balances. The law in some specific instances said it should be 2 per cent, and therefore we thought that the law of that day should prevail.

There is no law on the statute book which says that the District of Columbia should pay 50-50 on the Congressional Library, on some bridges, or the Lincoln Memorial. The gentleman from Kentucky [Mr. JOHNSON], who represents the ideas of the gentleman from Texas, said to our committee that—

It is my unqualified opinion that the cost of the Congressional Library and everything in it and 3 per cent interest must be offset against any claim of surplus.

It is only through such absurd charges that you can build up any such extravagant claims charged against the District of Columbia. This surplus has nothing to do with any policy whether you are a friend of the District or whether you are not; it is a question of bookkeeping and justice. The surplus should be acknowledged.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. ZIHLMAN. I yield to the gentleman two minutes more.

Mr. HARDY. The committee weighed very carefully all these questions of policy, laws, and incidents, and it took up everything that Mr. Spaulding suggested should be taken up, and everything that Mr. Hodgdon suggested, and weighed them in connection with the law. Then we arrived at what we thought ought to be the state of the accounts under the law. We came to the period after 1911, when the surplus began to accumulate in the District. In these years they accumulated a surplus to the amount of several million dollars. The District collected several millions of dollars more from its taxpayers than the Congress appropriated. This was figured down to \$4,600,000. Then we made some charges that we found ought to come out—a part of the bonus to the District employees and other smaller items, and after striking the balance we found that there was a surplus of \$4,438,154 due the District. Aside from all other questions at issue, there is no question but that an audit, without charging the cost of the Congressional Library and the Lincoln Memorial and other buildings and improvements, but considering the strict law, that this surplus is due to the District of Columbia.

The CHAIRMAN. The time of the gentleman from Colorado has again expired.

Mr. ZIHLMAN. Mr. Chairman, I now yield 10 minutes to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman, I feel it my duty, as a member of the committee, to discuss the bill impartially and dispassionately. I find it an unpleasant duty by reason of the fact that my friend and colleague [Mr. JOHNSON], my friend since I have been in the House and 30 years before coming to this House, opposes this measure. Yet I find myself in accord with 19 members of the committee, there being 21 members, and the twenty-first member being the gentleman from Texas [Mr. BLANTON].

I agree with him in his sentiments on the bill, but I can not agree with him on his legal deductions. I think the committee feels as he does, and that if this were to determine which had been the most generous, the District to the country or the country to the District, that we would all agree that the country has been very generous with the District. But is that the question before us? What is the sole question we are here to decide as a committee? It is, Shall we stick by trades we have made in the past, even though they were unwise? When you have decided that question then you have nothing before you except a mere matter of accounting. It was shown that the 50-50 plan, although perhaps fair at its beginning, became unfair to the country, but while that 50-50 plan was in existence, should not we live up to it? Then it was changed to a 60-40 plan, which in my opinion was still unfavorable to the country, but while the 60-40 plan was in existence, must we not live up to it? When you decide those two questions then you simply have no question of fact before you further than the mere matter of figures. You have no question of sentiment before you. You have no question before you of policy, but just a question of cold facts and figures. The trouble that the country is in, in this matter from our standpoint, is that every commission, committee, or accounting that we appoint ourselves to report to us these figures decides against us. That is the trouble we are in.

Let us take Mr. JOHNSON's idea, that if a fair accounting were made back through all these years it would be found that the District was indebted to the country in a vast sum, say, \$50,000,000. Is he considering that as a matter of law or as a matter of equity and policy?

Mr. BLANTON. He says under this law that we passed—

Mr. GILBERT. I shall read to you what he says. If we were considering it as an equitable proposition, from its origin, perhaps that is true. I have the highest regard not only for the ability of Mr. JOHNSON but for his opinion and his industry. He tells you what he bases that on, and if you agree with him in that policy, then it is true. What is that policy? This is his language:

In excess of \$50,000,000 spent in beautifying and upbuilding the District of Columbia.

And as read from the hearings he holds that it would have been better or it would have been wise to charge the District with certain parks and buildings, including the Congressional Library. As to that I do not care to enter into a discussion. I also compliment my colleague from Texas [Mr. BLANTON] upon his ability and industry, and I agree with him that we ought not to pay, and it is not proper for us to pay, a certain part of the salaries of certain policemen here and of other officers concerned purely in the local government. But is that question

before us now? If so, I must align myself with these gentlemen; but Congress has decided those questions in the past and has adopted a policy, and whether wise or unwise it seems to me that our duty now is simply to find under those policies what amount is due.

As to the personnel of this commission and whether one Senator is interested personally, I do not know and I do not care. I have no sentiment for or against the District of Columbia. I can not be aligned with those who are classed as friendly to the District or with those who are classed as unfriendly to the District. The District means nothing to me any more than it does to you other gentlemen who have not been lined up with these local affairs. That commission, however, was our commission. The committee that investigated those facts was our committee. We appointed a committee to investigate and report to us the situation as it existed. That committee consisted of three Senators and three Representatives, and whether they acted wisely or unwisely I am not here to say; but it was our committee and they reported against us, as to what they believe are the facts, and if we appoint another commission have we any assurance that the commission's finding is going to be any different; and if it is, are we going to put ourselves in the attitude of accepting only those reports of those committees which are favorable to us?

The gentleman from Texas [Mr. BLANTON] makes a great argument about the fact that they did not go back as far as the Congress directed them to go. Gentlemen should bear in mind that this committee itself is not going to make any investigation if we appoint one. The committee that was appointed did not make the investigation personally, because they are not public accountants, but they employed public accountants to make a report of what the accounts showed at this time. They themselves did not do it. What did they do as to accounts previous to 1911? They found that certain bookkeepers, certain public accountants, had made investigations up to that time. It is not in full, as shown by the gentleman from Texas, in many items which Mr. JOHNSON wanted to put in there but which the committee thought had no place in there. They said:

No witness appearing before the committee has testified that a further detailed audit would be advisable.

Your committee therefore recommends that the investigation already made be taken as a basis upon which definite and final action may be had by the Congress.

Neither is the same necessary, according to our belief, under the provisions of the act of June 29, 1922, which must be considered with reference to their practical effect.

A further detailed audit would be a decided waste of time and money and would serve no good purpose.

Mr. CRISP. Mr. Chairman, will the gentleman yield?

Mr. GILBERT. Yes.

Mr. CRISP. Were these accounts or reports of the auditors made prior to 1911 made by the direction of Congress or were they for private purposes?

Mr. GILBERT. I take it that they were made, at least some of them, under the direction of Congress. It is true, as pointed out by the gentleman from Texas, that Mr. JOHNSON, while he was chairman of the committee, had one investigation made; and the Mays—two of them, father and son—spent nearly three years in that investigation of those accounts up to 1911. Whether they included all that should have been included I do not know, but they included everything that your committee thought should be included; and if you appoint another committee, how do we know that their findings will be any more satisfactory to us than the findings of the committee you have already appointed and that have found against us?

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. ALLGOOD. What does the Mays report show?

Mr. GILBERT. Not intending to speak on the matter, I have not those figures; but it included what this report was based on, and it was brought down to date by our own committee that found against us, and I am not in favor of scuttling simply because we have made a bad bargain.

I think the Cramton amendment on District appropriations is a reasonable amendment. Instead of being useless, it brought down the amount that the Government shall contribute to the District hereafter still less, but it may not yet go far enough. But let us now square accounts, pay the District what our own committee and the auditors say we owe them, and then be governed in the future by the facts as they appear, and make a better trade from now on, but do not repudiate the amount our committee says we owe simply because we made a bad trade.

Mr. BLANTON. If I will yield the gentleman a minute, will he yield for a question?

Mr. GILBERT. I will.

Mr. BLANTON. I yield the gentleman one minute to answer one question. Mr. JOHNSON made this statement:

As I have said, if they—

Meaning the commission—

had followed the directions of the law—

Meaning the law we passed here—

the balance would have been on the other side of the ledger in the amount certainly not less than \$50,000,000.

That is signed BEN JOHNSON.

Mr. GILBERT. And he goes on to say "spent in beautifying and upbuilding the District of Columbia."

Mr. BLANTON. That was in another paragraph concerning another matter.

Mr. GILBERT. But he says, as shown by the reports, and every Member of this House knows, that perhaps it would be true, if the District of Columbia had the same park system as other cities, then perhaps it would have been \$50,000,000. But that has not been the policy of the Government. I feel like we ought to adhere to a bad trade and bring in what the bookkeepers and our committee say we owe. That is all. [Applause.]

Mr. ZIHLMAN. I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Chairman and gentlemen, I had not intended to say anything on this bill, but as the gentleman from Texas has been so kind as to credit me with a few lucid moments I thought possibly the committee might be interested in knowing how I achieve this degree of intelligence. I am not a lawyer like the gentleman from Texas, nor have I the capacity that he apparently has for work.

Mr. BLANTON. Will the gentleman yield to me to say that I consider him one of the most intelligent men in the United States? [Applause.]

Mr. UNDERHILL. The gentleman flatters me and still further places me in his obligation. But the only way we can arrive at these great questions, those of us who have not a legally trained mind, those of us who are not accountants, those of us who come from a distance and know little or nothing about local conditions, is by the exercise of common sense, the best judgment we can give. We called before our committee experts on these various questions, experts on the legal side of the question, experts on the financial side of the question, experts on practically every question raised. Sometimes they voluntarily appear, and sometimes we pay for their services. Now, what other road can we travel, what other line can we follow than to weigh the evidence we have presented to the committee and then come to an intelligent decision? As now constituted there are 10 lawyers on our committee. Each one of them has a reputation probably surpassed by none in their own immediate districts. Of the 10 lawyers on our committee all but one are in agreement on this question. Of all the actuaries or accountants who were before the committee every one of them is in agreement. Congress is inclined to neglect the District, while, on the other hand, the District is prone to expect too much from Congress. It should neither be abused or pampered. When it needs bread we should not give it a stone nor is pap and plums good for its healthy growth.

So I have tried to look at this and other questions from the standpoint of justice, equity, and common sense. To "hold fast to that which is good" rather than to insist upon the strict letter of the law.

There are some phases of the bill that do not please me particularly, but I recognize that the people of the District of Columbia acted in good faith, that they had confidence in Congress and the United States Government to give them a fair deal. Perhaps the District of Columbia made a better bargain than the Congress of the United States. Notwithstanding, they made a bargain, a trade. That I gather from the testimony presented to our committee. It seems to me that we ought to stick to that bargain, stand by our trade, no matter if it does cost the sum of four and a half million dollars. This money does not come out of our constituency at home without their knowledge or consent. They have some pride in the District—

Mr. LINTHICUM. If the gentleman will yield, is not the money already in the Treasury and not to be paid into the Treasury?

Mr. UNDERHILL. The money is in the Treasury, but I believe part was put in there by our constituents.

Mr. BLANTON. If the gentleman will yield, there are nine lawyers on the committee—

Mr. UNDERHILL. Ten.

Mr. BLANTON. In favor of the bill, and here is their report, five lines on a four and a half million dollar bill! Do you want to take that report? If so, all right.

Mr. GARRETT of Tennessee. Will the gentleman submit to an inquiry?

Mr. UNDERHILL. I should be very glad to do so.

Mr. GARRETT of Tennessee. I would like to get this matter clear in my mind. Is there any question as to the accuracy of the \$4,438,000 upon the basis upon which the investigation was conducted?

Mr. UNDERHILL. So far as I gather from the testimony before the committee, there is no great difference. There is a difference of opinion—

Mr. GARRETT of Tennessee. I mean as to the amount upon the basis upon which the auditors proceeded; is there any question as to the accuracy of this amount?

Mr. UNDERHILL. I think there is no question.

Mr. GARRETT of Tennessee. I would like to ask the gentleman from Texas if there is any question as to the amount without going into the policy?

Mr. BLANTON. Of course there is; and I say that unequivocally. If we could point out—I have not the time in the gentleman's time—

Mr. CRAMTON. Will the gentleman from Massachusetts yield right there?

Mr. UNDERHILL. Yes.

Mr. CRAMTON. I would be glad to say to the gentleman from Tennessee that not only is there great question as to the accuracy of the account, but the commission itself and the Committee on the District of Columbia itself have admitted in the bill before you that there is a question as to the accuracy of those figures, because they put a proviso in seeking and directing that a further determination be made hereafter.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GARRETT of Tennessee. I am sorry the gentleman's time has expired.

Mr. ZIHLMAN. I would like to take one minute to answer the gentleman from Tennessee.

The basis of this amount is the certificate from the Comptroller of the Treasury of the United States, and the figures referred to by the gentleman from Michigan [Mr. CRAMTON] are not included in this \$4,500,000, but relate to the sum of \$800,000, which is in dispute, and which the comptroller is authorized to adjust. It does not relate to the \$4,500,000 referred to, to be credited to the District of Columbia.

Mr. GARRETT of Tennessee. If the gentleman will permit, as I understand it, this commission that was created was instructed to proceed in the investigation of these accounts upon the basis of the appropriation made under the law as it existed prior to the appointment of that commission?

Mr. ZIHLMAN. That is right.

Mr. GARRETT of Tennessee. Now, then, is there any question as to the accuracy of the amounts which they have found upon the basis which they have investigated, as instructed?

Mr. ZIHLMAN. No.

Mr. GARRETT of Tennessee. I mean within the period covered by their investigation, not back of 1911.

Mr. ZIHLMAN. I will read the certificate, No. 12322. That is from the Comptroller of the Treasury.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield myself an additional minute. The certificate reads as follows:

CERTIFICATE No. 12322

GENERAL ACCOUNTING OFFICE, STATE AND OTHER DEPARTMENTS DIVISION,
THE DISTRICT OF COLUMBIA IN ACCOUNT WITH THE UNITED STATES, FOR
THE FISCAL YEAR ENDED JUNE 30, 1922

WASHINGTON, D. C., November 23, 1922.

I certify that I have examined and stated the account of the District of Columbia with the United States from July 1, 1921, to June 30, 1922, and find a balance of \$8,136,574.44 due the District of Columbia, as follows:

General fund.....	\$7,574,416.90
Special funds.....	250,624.55
Trust funds.....	311,532.99
Total.....	\$8,136,574.44

(Care of Secretary of the Treasury, Division of Bookkeeping and Warrants.)

J. R. MCCALL,
Comptroller General,
By W. S. DEWHIRST, O. B. B.

Then he gives the different funds. That is the basis on which the committee proceeded.

Mr. WILLIAMS of Michigan. If you were to go back previous to 1911, if you were to go back to 1874 and an audit were made in the same way that you have had it made from 1911 to the date of this report, what assurance can you give to this House that there would not be sums found to be due to the Government from the District of Columbia?

Mr. ZIHLMAN. I will say to the gentleman that Congress has twice authorized an investigation prior to 1911. Those reports were made under resolutions adopted by Congress.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. BLANTON. Mr. Chairman, I yield myself one minute. I want to say to the gentleman from Tennessee [Mr. GARRETT] that no committee of the House has ever really investigated this bill at all. They have never had it up except in so-called hearings that never went into the real facts. You will not find a hearing where they have gone into those facts. I asked for time before our committee during this and last Congress to show where they have rented property and have not accounted to the Government for it, where revenues in large amounts concerning many items should have gone into the Treasury of the United States, but which the District kept and same were not accounted for. I was not given time. I had no chance. There has never been an investigation of this whole subject from 1874 down as we directed either by a commission or by a committee of Congress.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I yield to the gentleman from Michigan [Mr. CRAMTON] 15 minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for 15 minutes.

Mr. CRAMTON. Mr. Chairman, the case pending is strictly an equity case. Everyone admits that sums that are due to the District of Columbia, if there be any sums, are equity claims. There is no legal liability on the Federal Government for any sums whatever. There had been a claim by the District for such funds for many years, and in 1922, I think it was, when the District appropriation bill was up, the House had attempted to change the percentage of Federal contributions to the District expenses. The Senate objected to that change and inserted a provision providing for an investigation to determine how much, if any, surplus was due to the District.

That went to conference with these two matters in dispute—as to the part that the Federal Government should contribute and the determination as to whether any surplus was due to the District. It chanced that by reason of the illness or absence of one of the conferees I was permitted to serve as a member of the conference, the other conferees being the gentleman from Illinois [Mr. MADDEN] and the gentleman from Kentucky [Mr. JOHNSON]. The provision that appears in the law was a compromise between the House and the Senate as to the establishment of the 60-40 ratio and as to this investigation.

Now, as to the provision that the Senate put in with reference to the investigation, none of the House conferees would have accepted it as it left the Senate. If there had not been an acceptance of certain amendments drafted originally by the gentleman from Kentucky [Mr. JOHNSON], there would have been no such investigation. The terms, then, that were put in by Representative JOHNSON and supported and modified somewhat by some suggestions of mine and supported by the House conferees and supported by the House—those changes, then, were material. The acceptance by the House of that Senate proposition was secured through the acceptance of the language that we inserted in their proposition.

I have not the ability or the knowledge or the time in my little 15 minutes to cover all the fiscal relations of the Federal Government with the District for 50 years; but here is what the law says that commission must do, and I say the select committee did not follow the law. We have not had an investigation of the fiscal affairs of the last 50 years in accordance with the law creating that commission. We have not the information that we are warranted in accepting as a basis for turning over \$4,500,000 to the District. When you have an investigation in accordance with the law, an investigation that covers all the matters between the two parties, so that you know that the balance that is found is really in equity due to the District, then I favor giving it to the District, but I do not favor giving it after a one-sided investigation.

Mr. GILBERT. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. GILBERT. Do you hold that the commission in question, appointed of three Representatives and three Senators, was incompetent?

Mr. CRAMTON. I let facts speak for themselves. I have no desire to reflect on the members of the commission.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. HARDY. What does the gentleman mean by a one-sided investigation?

Mr. CRAMTON. I will explain in just a moment. Here is what the laws says. That this joint select committee is authorized and directed:

To inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874—

Eighteen hundred and seventy-four! And it is admitted that this committee de novo only went back to 1911, and back of that period they accepted a more or less incomplete investigation reaching back to 1878. From 1874 to 1878 they made no investigation whatever. That is the first thing.

Mr. HARDY. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. HARDY. It did inquire into those affairs quite fully.

Mr. CRAMTON. Well, I will go into that.

Mr. LINTHICUM. Will the gentleman yield?

Mr. CRAMTON. I am sorry I can not.

Mr. LINTHICUM. It is a question that should be asked right at this point.

Mr. CRAMTON. I think I will bring out what the gentleman has in mind.

Mr. LINTHICUM. No. I do not think the gentleman is going to cover what I desire to ask.

Mr. CRAMTON. If I do not, I will answer the gentleman's question later. Referring further to the law authorizing this commission:

With a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively—

This is not the finding of a balance. This is a direction that they report facts for the information of Congress—

what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District, or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District.

That information was to be brought to us; not a balance, but a statement of the expenditures on each side. Then:

And in event any money may be or at any time has been by Congress or otherwise found due, either legally or morally, from the one to the other, on account of loans, advancements, or improvements made, upon which interest has not been paid by either to the other, then such sums as have been or may be found due from one to the other, shall be considered as bearing interest at the rate of 3 per cent per annum from the time when the principal should, either legally or morally, have been paid, until actually paid. And the committee shall also ascertain and report what surplus, if any, the District of Columbia has to its credit on the books of the Treasury of the United States which has been acquired by taxation or from licenses.

Now, under that language a commission was created composed of three Members of the House and three Members of the Senate and they organized. The chairman of the House committee was Mr. Evans, of Nebraska, a very fair-minded, conscientious, and able gentleman, and who, I understand, was elected to the supreme court of his State in the recent election. He was the chairman of the House membership. Absent a few days from the city, in his absence a meeting of that commission was called, without showing the House the courtesy of awaiting his return. And, unless I am mistaken, when that commission met to organize there were three of the Senate members present and two Senators held proxies for two House members, and the third House member was in the West. Of course, there is no authority for anyone outside the House to hold proxy for a House member of such a committee. It was in effect a meeting without House representation. The three Senators, with House proxies in their pockets, proceeded to organize that commission, select the accountants, and so forth. Having so organized the commission, they arbitrarily decided that on these annual advances from the Federal Treasury for the benefit of the District no interest should

be computed, notwithstanding the plain language of the law. Here is the situation: Each year the District had no money in its treasury. It levied taxes to pay the year's expenses, and when the year was half over their money commenced to come in; but yearly, for the first half of the year, we loaned them the money with which to pay their expenses; and under the law creating that commission the commission was bound to compute interest on the money so advanced and take it into consideration, but that commission—and I say it was a one-sided proposition—arbitrarily omitted that interest and other interest matters from its computations.

Next, they only went back to 1911. You Members know that it is only within the last few years that Congress has been vigilantly looking out for the interests of the Treasury in its dealings with the District. In the good old days of the seventies and the eighties the District, time after time, put it over on the Treasury. The law would pass stating that certain things should be paid exclusively out of District revenues, and then they found a way to have a part of them paid out of the Federal Treasury—the bond issues, of which the gentleman from Kentucky [Mr. JOHNSON] has told us about, and so on. So, since 1911, we have been watching our step a little more closely, and they declined to go back of that; instead, they accepted the Mays report.

In a letter from Mr. Evans to Mr. JOHNSON on August 5, 1922, Mr. Evans calls attention to the fact that—

It is urged by Colonel Donovan that the audit of the accounts made by Mays & Sons covered all matters from 1878 to 1911.

Let me remind you that 1874 was the date put in at the instance of the House, and the gentleman from Kentucky [Mr. JOHNSON] knew those things and knew why he wanted them to go back to 1874 instead of 1878. They were put in there to reach certain matters, but this committee arbitrarily failed to go back of 1878; 1874 to 1878 was not taken into consideration, and there never has been a review of that period. As to the Mays report, which Colonel Donovan said covered all matters from 1878 to 1911, Mr. Evans said:

I asked of Mr. Hodgson if it was not a fact that the Mays report only covered the appropriations and disbursements thereof between 1878 and 1911, and particular subjects to which their attention and investigation were ordered, and he answered "yes."

Particular subjects to which their attention was directed. Now, many other things were omitted. I have here the minutes of this joint committee and in those minutes it is set forth on a certain day, on the 27th of July, 1922:

Mr. Hodgson did not appear to be very clear as to the fiscal relations between the District and Federal Governments from 1874 to 1878, but stated that the Mays audit was from 1878 to June 30, 1911. He pointed out that, in addition to covering what he called "the general account," comprising all appropriations and disbursements between the dates mentioned, certain specific items were also investigated, as a result of the Mays report, legislation was passed by Congress providing that the District reimburse the Federal Government in the sum of several million dollars.

Later:

Under direct questioning, Mr. Hodgson would not state that he believed the Mays report to be absolutely accurate.

These are the minutes of the joint committee, in which they boiled down essence of the hearings before them, and under direct questioning Mr. Hodgson, their accountant, said he would not state that he believed the Mays report to be absolutely accurate.

He did say, however, that an attempt was made to cover all the important items which might be in dispute between the District and the Federal Governments, with special reference to the rights of the United States.

All the important items, he thought, but how important the items were that were omitted he does not say or know.

And later:

Major Donovan, when asked his opinion, said that he knew of no important items during that period which had been overlooked, calling attention, however, to the fact that there might be miscellaneous items of revenue, in which the District should properly share, of which the District officials had no knowledge.

Here is a memorandum by Mr. Evans, which he put at the foot of that:

It was the sentiment that at this time it was not best to go back of 1911 so as to have the time to look into the necessity of going

back. Mr. Hodgson stated several times in answer to questions by me that the Mays audit did not go outside of the appropriations and disbursements unless specifically directed to some item.

And on another page of these minutes it is stated that a detailed audit from July 1, 1874, to June 30, 1911, would be difficult to get because the sinking-fund ledger had been destroyed, as well as other records, and so forth. In other words, this commission, just as I said, made a one-sided investigation.

Mr. AYRES. Will the gentleman yield?

Mr. CRAMTON. In just a moment. I will explain just what I mean by that. They investigated the things that the Senate Members wanted to investigate, but the things that the House conferees wanted investigated when they agreed to this language were ignored by them; and I went before the commission before they completed their work, and on page 251 of their hearings called their attention to the matter, saying it seemed to me better to speak then before the committee while it was at work rather than to have my observations as the possible basis of criticism when the committee had finished its labors. I yield now to the gentleman.

Mr. AYRES. Has the gentleman introduced a bill—

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BLANTON. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Texas has 13 minutes remaining.

Mr. BLANTON. I yield 5 minutes more to the gentleman from Michigan.

Mr. AYRES. Has the gentleman introduced a bill recognizing this amount of \$4,000,000?

Mr. CRAMTON. I will speak of that in just a moment. I want to first round out what I have said. I am not just talking thin air in these matters. The fact they did not go back of 1911 is a serious injustice to the Federal Treasury. The fact they did not comply with the law is not a technicality, it is a serious injustice to the Treasury. What does Mr. Evans say about that?

Mr. CRISP. Will the gentleman yield?

Mr. CRAMTON. Yes; I yield.

Mr. CRISP. In what way did the House conferees insist on changing the original Senate provision as to this commission?

Mr. CRAMTON. We changed the date and we put in all this language that I first mentioned with a view to ascertaining and reporting what sums have been expended for certain purposes.

Mr. CRISP. And put it back to 1874?

Mr. CRAMTON. And put it back to 1874, yes; and there would have been no agreement by the gentleman from Kentucky [Mr. JOHNSON] and myself, and I think I can say the gentleman from Illinois [Mr. MADDEN] also, without that language.

Now, what was the effect of their failure to follow the law? This is a practical question.

Mr. KETCHAM. Will my colleague yield for just one brief question?

Mr. CRAMTON. For a very brief question.

Mr. KETCHAM. Having gone over this matter with some degree of care, will the gentleman give his judgment now upon this question. If a correct audit could be made of all these accounts previous to 1911, namely, from 1874 to 1911, what is the gentleman's judgment on the matter of whether this amount of \$4,478,000 would be increased or reduced?

Mr. CRAMTON. If a correct audit had been made in accordance with the language agreed upon by the conferees what would be the finding?

Mr. KETCHAM. Yes.

Mr. CRAMTON. If I knew the answer to that I could tell you and you would not need the investigation. We wanted the investigation in order to get that finding, and we are entitled to have it before we turn \$4,000,000 over to the District of Columbia. My guess is, the \$4,000,000 surplus would vanish to nothingness.

Mr. BLANTON. And we never will get it until the investigation is made.

Mr. CRAMTON. That is true, and no one Member of the House has the time or should be expected to make such an investigation.

Here is what Judge Evans said—and Judge Evans was a careful, conscientious worker—and in speaking of these things he says:

In arriving at its conclusions the majority omitted from consideration the following items for the Government:

One-half of the 5-20 bonds.

One-half of the interest on the 5-20 bonds.

Interest on all items of advances or credits upon which interest has not been paid.

One-half of the fines of the police court for the Government.

One-half of the \$5,000 appropriation to buy land for the National Training School for Girls, which, it seems, has been expended but no land bought.

One-half of the salaries of Army officers who work only for the District.

The interest item alone on known changes shows a credit to the United States of \$1,691,889.93, as shown by the majority report.

The 5-20 bonds show a credit of over a million for the Government, and interest from the dates of payment should be added.

He says there are many other items not included. This shows that the balance before you is not a fair statement of this equity account against the Treasury. [Applause.]

My friend over here asks me if I have introduced a bill to recognize that. Acting a good deal under compulsion, I have. I have feared that, due to lack of information on these matters generally among the membership, this bill would eventually pass. I think it is desirable to wind up these things, and that is the reason the House conferees, three years ago, agreed to this language. We wanted a complete investigation to wind this thing up, but the one before us does not give the facts and the commission did not treat the House with even decent respect.

I believe the fixed-sum contributions principle as to Federal share of District annual expenditures is more important to the Treasury because it saves us from \$3,000,000 to \$5,000,000 a year. It was put in the District appropriation bill this year and will be put in the pending appropriation bill I am sure. It is not, however, permanent law. I am afraid some time or other you will pass this surplus bill. Standing alone we will have trouble getting action by the Senate on a permanent lump sum bill. I would like to use this surplus bill as a vehicle to carry through the lump-sum proposition. Therefore, I introduced a joint measure last week, not from any love for this, but because I was in love with the other proposition. I have not had a chance to get a hearing on it before the committee. To-day I appealed to them to put this over two weeks and in the meantime give a hearing on the proposition of hooking these two together and disposing of both of them together. But the committee could not defer consideration on this bill to give me a hearing on the joint measure, and I say to you that if you, to-day, pass this bill for the payment of this \$5,000,000, they will have that, and you will wait a long time before you will get the Senate to pass a permanent lump-sum contribution as our payment toward the District expenses.

Mr. WRIGHT. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. WRIGHT. In the closing hours of the last session, is it not true that the gentleman advocated and sought to put through a conference report agreeing to pay the District of Columbia this balance of \$4,000,000?

Mr. CRAMTON. That is just what I have been speaking about.

Mr. BLANTON. And it was an effort to save millions of dollars in another way.

Mr. CRAMTON. If I could save the Government from \$3,000,000 to \$5,000,000 a year for the next 25 years through enactment of the lump-sum proposition as permanent law by hanging it onto this \$4,000,000 surplus proposition. I would think it was a good accomplishment and a desirable trade. That can be done if you will defeat the pending bill.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman, possibly because of my independent method of thinking and acting, I have often in the past found myself in striking disagreement with the distinguished gentleman from Texas [Mr. BLANTON]. But on the pending bill I find myself in entire accord with him. His argument in opposition to this bill is not only convincing but is unanswerable on the floor of this House or elsewhere. In lucidly and logically analyzing this bill and opposing its enactment he has not only rendered a worth-while service but one of very great value to the American people. This bill has already passed the Senate, but I am relying on the wisdom and good judgment of the House to defeat it. Reduced to its last analysis, this bill proposes to take out of the Treasury of the United States \$4,438,154.92 and grant the same to the District of Columbia, to be used for such District purposes as may from time to time be

determined. This means that the general funds of the United States Government will be reduced to the extent of \$4,438,154.92 and the District funds increased that amount. The bill proceeds upon the theory that the United States Government owes the District of Columbia \$4,438,154.92 on account of divers and sundry fiscal transactions between the Government and the District in the last 48 years, or, to be accurate, between July 1, 1874, and July 1, 1922.

You will recall that in 1871, in answer to the petition of merchants and professional men in the city of Washington, Congress granted the District of Columbia local self-government. After three years of unexampled prodigality and extravagance the District became bankrupt, and Congress was compelled to again take over the administration of the District affairs, and since 1874 the government of the city of Washington and District of Columbia has been under congressional direction. During that long period Congress has from time to time appropriated hundreds of millions of dollars toward the support of the District government and for the convenience, comfort, and necessities of the people of the District and for the upbuilding or beautifying the city of Washington and the District of Columbia. In making these appropriations Congress has always dealt liberally with the District of Columbia, and at no time has the District contributed its just and proper share of the expenses incident to the maintenance of the District government.

Each year the District bombards Congress with demands for enlarged appropriations, always contending that Congress does not contribute its fair and just proportion of the expenses incident to the maintenance of the District government, which contention Congress has denied. These demands from the District because so numerous and pressing that in 1922 Congress decided to settle the question once and for all time. To this end, in 1922, Congress by legislative enactment created a joint select committee of three Senators and three Representatives to investigate the claims of the District, and this committee was authorized and directed to make a thorough investigation of all matters pertaining to the fiscal relation between the District of Columbia and the United States since July 1, 1874, with a view of ascertaining and reporting to Congress what sums had been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying said District, or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District. In other words, this joint select committee was not only authorized but directed to overhaul all the accounts and fiscal transactions between the United States Government and the District of Columbia since July 1, 1874. This committee was authorized and directed to list these various transactions, expenditures, and appropriations and state an account of all the fiscal transactions between the Government and the District since 1874. The purpose of this investigation was to ascertain definitely and conclusively what sums, if any, were justly due from the Government to the District of Columbia, and also what sums, if any, were due from the District of Columbia to the United States Government, so that a balance could be struck, and whatever was found to be due from either to the other could be paid. In order to settle a dispute that had embarrassed the District and Congress for a generation, both the District and Congress agreed that an account should be stated of all transactions since July 1, 1874.

This was a prudent and proper method of settling this controversy. The District was claiming that it was entitled to certain credits, which claims the Congress denied; the District government contended that the United States Government had in its Treasury millions of dollars which equitably belonged to the District, and which contention Congress insisted was not well founded; but in order to compose the differences, the provisions in the act of 1922 were adopted, both the District and Congress consenting thereto. By this act the litigants came, as it were, into court and agreed that their differences might be settled and finally determined in the manner indicated; that there should be an accounting and audit of all the transactions between the United States Government and the District since 1874.

Now, the joint select committee did not carry out the instructions of Congress, and did not make the accounting which both Congress and the District agreed should be made. The committee did not investigate the fiscal affairs between Congress and the District for a period of 48 years from and after July 1, 1874, but confined its investigation to a period of only 11 years from 1911 to 1922, and for the remaining 37

years stated no account and made no audit of the fiscal affairs between the District of Columbia and the United States Government.

Now, my attitude toward this bill is reflected by a question I propounded to the gentleman from Texas [Mr. BLANTON] when he was making his argument. I asked him, if this joint committee had been appointed by a court as referees to make an audit and state the accounts between the District of Columbia and United States Government, including all items and expenditures from 1874 to 1922, and the members of that committee, acting as such referees, in defiance and disregard of the order and judgment of the court appointing them, had deliberately confined their investigation to a period of only 11 years, to wit, from 1911 to 1922, and had filed a report in court as such referees, based on an audit of such fiscal affairs for only 11 of the 48 years, would not the court on motion, objection, or exceptions of any party to the controversy have stricken out and disapproved the report, because the referees had disregarded the orders of the court appointing them and to which they must look for their powers, authority, and guidance? As such referees, it does not lie in their mouths to ignore the mandate in the order or judgment under which they are acting. It will not do for them to say, in substance, to the court "yes, you instructed us to make an accounting covering the fiscal affairs for a period of 48 years, but in our opinion we deem it unnecessary to make an audit except for 11 years, and for the other 37 years we will accept certain conclusions in two ex parte and incomplete investigations that were made without authority of Congress, and the accuracy of which is strenuously denied by persons familiar with the facts."

The resolution under which this joint select committee was appointed did not instruct the committee to audit the fiscal affairs of Congress and the District for 11 years and to accept the conclusions and deductions contained in the Mays and Spaulding reports, but, on the contrary, the resolution not only authorized but expressly directed the committee to make an audit and report of all the fiscal transactions between Congress and the District of Columbia since 1874. Under the resolution appointing this committee, it was the duty of the committee not merely to state a balance or report a conclusion but to make a full audit of all transactions for the 48 years, list each item of the expenditures, show the purpose for which such expenditure was made, and to state the account in detail to Congress, so Congress would have before it the various transactions and be able to determine the balance due from the Government to the District or from the District to the Government. How could the report of this committee be accepted and acted on by the Congress when the audit made by the committee only covers 11 years, from 1911 to 1922? If an audit is made of the other 37 years, from 1874 to 1911, it is reasonable to suppose that it would show large sums due from the District to the United States Government, because during that period Congress did not exercise careful supervision over expenditures for the maintenance of the District government but made expenditures for the benefit of the District without requiring the District to discharge its proper proportion of the expenses incident to the maintenance of the District government. Only in the last 10 or 12 years has Congress "held a tight rein" on the expenditures for the District of Columbia. The audit made by the joint select committee is not conclusive and does not show the state of the account between Congress and the District, because the committee ignored the express direction of Congress and only audited the fiscal affairs between the District and National Government for 11 years instead of 48 years, as the order of Congress creating the committee required.

In the resolution creating this joint select committee Congress ignored the Mays and Spaulding reports. Congress did not confine the activities of the committee to the 11 years, from 1911 to 1922, and did not instruct the committee to accept the findings in the Mays and Spaulding reports for the remaining 37 years. That was not the will of Congress. By this resolution Congress, in substance and in spirit, said: We will settle the controversy in this way; there shall be a new, complete, and final auditing of all fiscal transactions between the District and the Government of the United States since 1874; the committee is to review each and every expenditure covering this period of 48 years, after which the committee shall report to the Congress all these expenditures and fiscal transactions, with conclusions of law and conclusions of fact, so not only Congress but the District may have the benefits of this thorough and comprehensive accounting, and may be thereby enabled to determine, once and for all, what amount, if any, is due from the Government to the District of Columbia or from the District of Columbia to the United States Government.

I am unwilling to withhold from the District of Columbia a single dollar that is due from the United States Government to the District. If the Government of the United States owes the District the sum of \$4,438,154.92, or any other sum, I will vote to liquidate such obligation; but I am not willing to vote this enormous sum out of the United States Treasury to the District of Columbia until and unless an accurate audit is made of all fiscal transactions between the United States Government and the District of Columbia since July 1, 1874. There is no convincing evidence that this amount, or, in fact, any amount is due from the Government to the District; but if anything is due, let the amount be ascertained by an accurate audit of all the fiscal transactions between the District and the Government. The wise and proper thing is to defeat this bill and require another committee to make a comprehensive and accurate accounting of all fiscal transactions between the Government of the United States and the District of Columbia since July 1, 1874. If such an accounting shows a balance due the District, I am sure every Member of Congress will vote for an appropriation to pay such indebtedness. On the other hand, if such accounting shows the District indebted to the Government, then the Congress should insist on the District liquidating its indebtedness. I say, gentlemen, we can not afford to pass this bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman and gentlemen of the committee, I happened to be a member of the joint select committee authorized by the act of 1922 to investigate the fiscal affairs of the District of Columbia and the United States. That committee was composed of three Senators and three Representatives, and labored for a great length of time in the investigation we were required to make. I desire to read, first of all, the last paragraph in the report of the committee, which, if you will pardon me for saying so, is my own language and which reflects my ideas about this situation:

From an accounting and bookkeeping standpoint, and giving due consideration and weight to the organic law of 1878, as well as other laws passed by Congress from time to time, and the rulings of the Comptroller of the Treasury, we believe this report to all practical purposes reflects the fiscal relations between the United States and the District of Columbia and shows the surplus to the credit of the District in the Treasury of the United States. Some members of the committee believe that these laws, although binding, were in many instances more favorable to the District than they should have been if due consideration had been given to the taxpayers of the United States, and that under these laws the United States has for a long time and is now contributing more than its just proportion to the administration of the District government and the upkeep of the District, and that this is especially true when consideration is given to the limited activities and interests of the United States in the District, which are not wholly maintained at the expense of the United States, as compared to the large, expansive, and growing interests of the residents of the District or those owning property therein, and taking into consideration also the low tax rate paid on property located in the District.

If I were to speak an hour I do not think I could make myself better understood than I undertook to do in that concluding paragraph. Much has been said by the gentleman from Texas [Mr. BLANTON] about the committee not going back of 1911. We did not say in the report that we made a scrutinizing investigation or a detailed investigation back of 1911, but we did go back.

Mr. BLANTON. The only way you went back was to take what you could find in the reports by Mr. Mays and Mr. Spaulding.

Mr. WRIGHT. That, with the information we got from Mr. Hodgson, Mr. JOHNSON, and Mr. CRAMTON, and various other witnesses.

Mr. BLANTON. The facts that you got were in the report. Did not the gentleman in the hearings say that you would have gone back to 1874, but you did not have the time or the money?

Mr. WRIGHT. It is true, as the gentleman suggests, that as a member of the select committee I insisted that under the plain mandate of the act which created the commission it was our duty to go back to 1874 and make a book audit.

I still believe that should have been done, but the more we investigated, the more information we acquired, the less necessity I could see for such a course. I believe we should have done it because the law said so, but I want to qualify that and state that before the investigation had ended I was practically convinced that to go back of 1911 would be futile

and would not practically change the figures which we submitted in the report.

Let me tell you upon what I base that. Take our friend BEN JOHNSON. He came before the committee, and I want to say about him that there is no man in the House who has a higher regard for Mr. JOHNSON than I. I really love the man, but with all due deference to Mr. JOHNSON I was surprised, I was disappointed, after he had concluded his testimony before the committee, at the limited information he gave the committee, when we thought he had made an exhaustive study of the affairs of the District.

My friend from Texas is in error when he says that Mr. JOHNSON did not contend that the Library of Congress and that the Lincoln Memorial should be taken into consideration. That was one of the points that he made. He said that under the language in respect to beautifying the District these things should have been taken into account. He said that positively, unequivocally, and he rather boasted of having framed the language himself. He said it was the solemn duty of the committee to take into consideration as a charge against the District the pro rata part of 50 per cent of the District in the cost of the Lincoln Memorial and the Congressional Library. I could not follow him in that.

I thought I had discovered a big proposition about some Georgetown bonds and some Washington bonds that were issued away back yonder, and for which I understood the United States was not to be held liable, and which had been paid by the United States, or at least 50 per cent had been paid. I thought my friend JOHNSON was going to inform us on that proposition, and I called it especially to his attention. Prima facie, it seemed to me that those items should have been resurrected and taken into account, and I want to read to you what he said.

Turn to page 280 of this report. Speaking about these Georgetown bonds and the Washington bonds, here is what he says:

Representative JOHNSON of Kentucky. My inquiry and investigation into the District of Columbia matters through the 14 years that I was on the District of Columbia Committee, went very particularly into the 3.65 bond issue, and only incidentally or collaterally into the bond issue to which you have just referred. I may be mistaken about it, but I have the general impression that when the three municipalities here, the city of Georgetown, the city of Washington, and the remainder of the District of Columbia called the Levy Court, or the County of Washington, were put into one, the one municipality of the District of Columbia, there was carried over a sinking fund from the old city of Washington into the municipality of the District of Columbia, and that that sinking fund soon became confounded with the sinking fund created for the purpose of retiring the 3.65 bonds, the retirement of which will be completed next year.

Representative EVANS. Just there, Mr. JOHNSON: Do you mean it was confounded in the books of the Federal Treasury, or do you mean that it was confounded by the actions of both Federal Treasury and District authorities?

Representative JOHNSON of Kentucky. Without being emphatic—because as I said, I have not gone into it in great detail—I have the impression that the old sinking fund, which was bankrupt, went over into another sinking fund, that for the 3.65 bonds, and was confounded by the District authorities, by paying items out of the sinking fund created for the retirement of the 3.65 bonds, without authority, and that the Treasury Department seems never to have caught it, but it just ran along until this final reckoning comes.

Representative WRIGHT. You think the District is responsible for the amount the Government paid in the retirement of those bonds?

Representative JOHNSON of Kentucky. I do not think that it should be undertaken by the report of this committee to make the District of Columbia chargeable with the half paid by the United States since the 1st of July, 1878. I did differ, and I continue to differ, with the then comptroller, who decided that the United States was not liable for any part of the 3.65 bonds from 1874 until 1878 when the half-and-half law was enacted. But I have acquiesced in his opinion to the effect that if Congress appropriated each year for the creation of that sinking fund, it should just as well be let alone and let go at that, although the comptroller in his opinion says that originally the United States was nothing except a guarantor of the 3.65 bonds.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. BLANTON. Then the gentlemen on this committee did not consider any sums that were expended for beautifying the District?

Mr. WRIGHT. Not in the way of the Lincoln Memorial. We considered the whole scope.

Mr. BLANTON. When the gentleman mention any item that the committee considers as beautifying the District?

Mr. WRIGHT. I can not mention any specific item.

Mr. BLANTON. Does not the organic act creating the commission direct it to go back to July 1, 1874, and take into consideration all of the sums of money that were expended in maintaining, upbuilding, and beautifying the said District?

Mr. WRIGHT. That is the very language of the law.

Mr. BLANTON. Then the committee did not carry out the direction of Congress.

Mr. WRIGHT. Oh, yes; we did. All law must be construed. I could not construe that language to mean that the District of Columbia could be justly, morally, equitably, legally, or in any other way charged with half the cost of the Lincoln Memorial or of the Library of Congress. I could not consider it in that way. We went back to 1878, and if the gentleman will read this report he will find items we canvassed back of 1878.

Mr. BLANTON. I want to commend the gentleman for the brave position that he took on this commission.

Mr. WRIGHT. I thank the gentleman.

Mr. BLANTON. He was the one outstanding figure who was demanding that the commission do what Congress directed it to do. The reason they ought to consider the beautification of the District is not to charge them with the cost, but the District is continually wanting to tax the Congress for letting the Congressional Library stay in the District, also the Lincoln Memorial, and we contend merely that we ought not to be taxed for it, because it beautifies the District, and every citizen in the District enjoys the Congressional Library and the Lincoln Memorial. Therefore we ought not to be taxed for it.

Mr. GARRETT of Tennessee. That seems a good argument as a fact, but not as a credit on a legal account.

Mr. BLANTON. That was to offset the claims of the District that we ought to be taxed great sums on account of that.

Mr. WRIGHT. We investigated the status of the accounts between 1874 and 1911. Not in detail; we did not have a thorough audit made of them, but we sought all of the information we could get about these accounts prior to 1911. We had before us Mr. Thomas A. Hodgson, a most conscientious man, an able man. He had been with the Treasury Department here from almost time immemorial, and I venture to say that he knows more to-day about the fiscal affairs between the United States and the District of Columbia than any living man. We catechized him as to the desirability of going back of 1911, and in response to questions asked him by the chairman he said:

I do not think it would be worth anything at all. I have always tried to take hold of anything there wrong in connection with my work, and every item that Mr. Mays and even Haskins & Sells and Mr. Spalding had, had been verified and proven time and time again, and I do not believe that there is but one item out to-day that has not been called to the attention of Congress. I do not believe there is but one, and I know what that is.

That was a little item of \$6,000.

Mr. LINTHICUM. Under the Mays report, did not Congress settle its accounts with the District?

Mr. WRIGHT. That was my understanding, and that was authorized by Congress.

Mr. LINTHICUM. Would not the Congress ordinarily be estopped from going beyond that settlement?

Mr. WRIGHT. I want to say about this man Hodgson that I do not believe Haskins & Sells could have rendered the account they did but for Hodgson.

He was there showing where they could find this and dig up that. Haskins & Sells made a very comprehensive report.

Mr. CRISP. Will the gentleman yield for one question?

Mr. WRIGHT. I will.

Mr. CRISP. Did the gentleman make any investigation at all between 1874 and 1878?

Mr. WRIGHT. We did.

Mr. BLANTON. What?

Mr. WRIGHT. Of any item that we could hear of in regard to which there was any dispute—

Mr. BLANTON. What auditors did you have auditing from 1874 to 1878?

Mr. WRIGHT. We did not have an audit in detail. I will call attention to the hearings, if I can find it, to some items which were brought up.

Mr. BLANTON. What audit did we have of the fiscal relations?

Mr. WRIGHT. We did not have anything like an audit, but we investigated any item we could hear of; in fact, gentlemen, we opened the gate for any information we could get, and not only investigated prior reports, but every man we thought

knew anything about the fiscal relations was invited before the committee to make a statement.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. WRIGHT. I will.

Mr. BLACK of Texas. What is the date of the Mays report which we have been discussing here?

Mr. WRIGHT. I never could recollect dates, but it was from 1878 to 1911, I think.

Mr. BLANTON. It covered certain specific items and it was not a general report at all.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. WRIGHT. I will.

Mr. MOORE of Virginia. I notice a very elaborate statement in the hearings by Mr. Hodgson, to whom the gentleman alluded. Does the gentleman remember how long he was auditor in the Treasury Department, who handled all such accounts?

Mr. WRIGHT. Thirty or forty years.

Mr. MOORE of Virginia. He was there during this period of from 1874 to 1911?

Mr. WRIGHT. Absolutely. And Haskins & Sells, in the making of their report—

Mr. MOORE of Virginia. And Haskins & Sells were the auditors called in by the gentleman's committee?

Mr. WRIGHT. Yes; and supposed to be as able as any in the United States.

Mr. WINGO. Will the gentleman yield?

Mr. WRIGHT. I will.

Mr. WINGO. I have not had an opportunity to listen to the debate. As I recall, the gentleman was on the committee, and while the committee did not have a detailed audit the committee went into a general investigation of the entire matter?

Mr. WRIGHT. Absolutely.

Mr. WINGO. And the committee became convinced that to go back of the date on which the committee started, for which they had practically an offset—

Mr. WRIGHT. That it would be absolutely an expenditure of time and money and nothing would be accomplished.

Mr. WINGO. And the committee was satisfied from the examination made, and those made prior to the audit of this man who had charge of such matters in the Treasury Department for 30 or 40 years, that the amount stated should be the amount in this bill?

Mr. WRIGHT. As near as human skill could accomplish.

Mr. WINGO. It states the amount as fully and fairly as can be done.

Mr. WRIGHT. Absolutely. Gentlemen, in conclusion I do not indorse what has been going on between the District and the United States all this long period. I think the United States has been imposed on. I think the United States has contributed largely in excess of its proportionate share, but in making this report I felt we were bound by the law that where an appropriation bill was passed a certain year saying such a thing should be done, I felt we were bound by it. And as I state in the conclusion—

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. I yield the gentleman two additional minutes.

Mr. WRIGHT. Taking these laws into consideration and the various rulings of the Comptroller General we were bound by them and we so made out this report.

Mr. BLANTON. Will the gentleman yield for one question?

Mr. WRIGHT. Certainly.

Mr. BLANTON. When the gentleman arose in the commission and said the commission had covered only 11 years, and he thought that under the direction of Congress it ought to go back to 1874, Senator BALL asked if the gentleman desired a preliminary report, and the gentleman replied:

I think that would be the sensible thing to do. I hardly see how it would be physically possible for this committee to investigate all of these items, with the issues which have been raised here, between now and the first Monday in February.

Now, did not you close it up and make a report?

Now, you did not go into an audit back of that time?

Mr. WRIGHT. I never insisted, as I became satisfied it would be a useless waste of time.

Mr. BLANTON. The Senators talked the gentleman into it?

Mr. WRIGHT. No; they did not. And I will say here without giving away any secrets that I told Senator PHIPPS that I was going to sign the report but with the reservation that I was going to insert that language in the closing paragraph of the report and sign it as my language, and my colleague the senior Senator from Georgia [Senator HARRIS] said he would do the same thing, and finally we compromised by

Senator PHIPPS agreeing to put it in the body of the report instead of as a separate rider. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. Mr. ZIHLMAN. Mr. Chairman, may I ask the gentleman from Texas how many more speeches he has?

Mr. BLANTON. I have only three minutes.

Mr. ZIHLMAN. I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman and gentlemen of the committee, I am not sure I have sufficiently comprehensive knowledge on the subject that is before us to throw much light on the merits of the case. The commission which acted and recommended a credit of \$4,438,000 for the District was composed of men who went thoroughly into the question. It is true they did not go back to the year which they were directed to go back to, and accepted the reports from previous audits between the period of 1878 and 1911. Whether that was strict compliance with the instructions of the House and the Senate I do not know. I think, however, it is fair to assume that the Government itself owed the District, and that the District ought to receive credit for what the Government owes. I think the time has come when the question should be settled.

Mr. COLE of Iowa. This \$4,500,000 is money that came out of the United States Treasury? Or did it come out of the taxes raised by the District?

Mr. MADDEN. I think it was taxes raised by the District.

Mr. COLE of Iowa. It is District money, then?

Mr. MADDEN. Yes.

Now I want to amplify what I have said. This is not an appropriation. It is simply a credit on the books of the Treasury to the credit of the District of Columbia. Later on, however, there would have to be an appropriation, and the question then would arise whether we would appropriate \$4,438,000, or whether we would appropriate on the 50-50 basis, which would be about \$8,860,000 a year, or whether we would appropriate on a basis of 60-40, the Government paying 40 per cent and the District 60 per cent, or whether we would continue to appropriate on the lump-sum basis, which is now in existence, and which was adopted by the last session of Congress.

The fact that the lump-sum basis was then adopted has been taken as a mandate by the Committee on Appropriations, which will report, when the District appropriation bill is reported into the House, on the lump-sum basis. The argument in favor of lump-sum basis has been that as the city of Washington grows, and the expenses grow with its growth, there ought to be a limit beyond which Federal contributions should not go, on the ground that the District ought to be permitted to tax itself as much as it likes for its own improvements, and that it ought to have as free a hand as may be without extravagant waste; for I still think that we, who are responsible here, ought to hold a restraining hand over extravagant waste, even of money collected from the taxes paid by the people of the District, regardless of whether the Federal Government makes any contribution or not.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. In just a minute.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. May I have a little more time?

Mr. ZIHLMAN. May I ask the Chair how much time I have remaining?

The CHAIRMAN. The gentleman has 16 minutes.

Mr. ZIHLMAN. I yield to the gentleman from Illinois three additional minutes.

The CHAIRMAN. The gentleman from Illinois is recognized for three additional minutes.

Mr. MADDEN. So it seems to me that we have a very clear duty to perform. We ought to do whatever is necessary to be done: First, to protect the integrity of the Federal Treasury; second, to protect the interests of the people of the District; third, to give the people of the District as wide latitude as we can to make such improvements as the future of the District may require, and that we then ought to limit the amount that we contribute and leave the people of the District as free as they wish to be to levy taxes to meet whatever obligations they want to incur within reason.

Mr. BLANTON. Mr. Chairman, will the gentleman yield now?

Mr. MADDEN. Yes.

Mr. BLANTON. The gentleman knows that if you pass this bill and take \$4,438,000 out of the general fund in the Treasury and credit it to the District that money has got to be made up

from taxes on the people to replace it in the general fund. Is not that so?

Mr. MADDEN. Well, if the money belongs to the District—

Mr. BLANTON. We have got to replace that with taxes if that is the case?

Mr. MADDEN. Yes.

Mr. BLANTON. I want to follow the gentleman from Illinois. I follow him all the time, and I want to continue to follow him. But the other day the gentleman said on this floor that the people of the District of Columbia had come to believe this Government was run for their benefit, and that they expected great big sums to be handed out to them.

Mr. MADDEN. Did I say that? [Laughter.]

Mr. BLANTON. The substance of it.

Mr. MADDEN. I do not think I said that.

Mr. BLANTON. Has the gentleman changed?

Mr. MADDEN. No; I have not changed. I do not want to begoff the issue. I will be as clear as I can. I think we ought to adjust this problem, and I think it would be well to adjust it in company with the recommendation made by the gentleman from Michigan [Mr. CRAMTON], also to adjust the question as to whether we are in the future to have a percentage contribution from the National Treasury or a lump-sum contribution.

Mr. HAWLEY. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. HAWLEY. Is not this a correct statement of what would happen if this bill is passed? When the bill is passed the Government would pay a lump sum, about \$9,000,000, and also \$4,500,000 indebtedness for expenditure, making something like \$13,000,000 for the next fiscal year?

Mr. MADDEN. I think that would likely be it.

Mr. HAWLEY. And the District would pay \$4,500,000 less than the amount of the appropriation, because that amount would be credited to it?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GARNER of Texas. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I am through.

Mr. GARNER of Texas. As I understand, the gentleman from Illinois did say so, but what was in his mind was something like this, that if the House will give the Committee on Appropriations this leverage, it will be enabled to get a law from the Senate, providing for a lump sum. If the House could induce the Senate, it would be a wise thing to do to get that policy established.

Mr. MADDEN. The Committee on Appropriations of the House has accepted the mandate given it in the last session of Congress, and under that mandate it will report a lump-sum appropriation. In the meantime we want, if we can, to get all these matters adjusted, so that there will be no controversy between the District and the National Treasury.

Mr. ZIHLMAN. Mr. Chairman, will the gentleman from Texas [Mr. BLANTON] consume some of his time?

Mr. BLANTON. I will.

The CHAIRMAN. The gentleman from Texas is recognized for three minutes.

Mr. BLANTON. Mr. Chairman, my memory does not often fail me, and I am going to extend my remarks, and I am going to put into the RECORD what the gentleman from Illinois [Mr. MADDEN] said when we had under consideration the Lincoln Birthday bill, or possibly some other bill.

Mr. MADDEN. That was a year ago.

Mr. BLANTON. No; about a month ago, when the gentleman came in here and helped us defeat that bill.

Mr. MADDEN. You could not add anything to Lincoln's fame by having his birthday celebrated.

Mr. BLANTON. No. I am talking about what the gentleman said about these District people taking money out of the Treasury.

Gentlemen, you ought to defeat this bill. I am going to move to strike out the enacting clause. Then let us go back to 1874 and have a commission do what Congress instructed this commission to do—audit these accounts from 1911 back to 1874. Then we can accept that report. BEN JOHNSON said that report covered special items, not a general audit, and that the Spaulding report covered only special items.

There was no general audit but an audit of certain items in controversy. There has been no report on it. There has been no investigation by a committee of the House. Let us pay the District what we owe it after we have had an audit.

I would like to be on such an auditing commission. I promise you I would go into the accounts; I promise you

that when I brought in a report it would cover the period from 1874 to 1911. It would cover it like a glove covers a hand. That is the kind of a report I would make and that is the kind of an investigation I would make if I were on a commission like that.

I hope you gentlemen will do this: Strike out the enacting clause of this bill and then let us determine what we owe the District. I have never in my life had an account presented to me twice, not an account; I pay my own debts promptly, and I believe in the Government paying its debts. If we owe the District let us pay them, but let us be sure we owe them, first. We have plenty of time. The District is not going to run off. They are still enjoying a low rate of taxation, of only \$1.40 on the \$100; they are not suffering. The Congress is not going to run away. We will have plenty of opportunity to audit this account. Let us defeat this bill now; let us not pay this \$4,438,154.78; let us wait and ascertain the facts and then, if we owe the money, pay it. I too, like to sit around the banquet table with these delightful citizens down in the District, and please them, and I hate to go against them, but duty requires it.

Mr. Chairman, I find now upon reflection, that when I referred to something the gentleman from Illinois [Mr. MADDEN] had said, I was in error in stating that it was during the consideration of the Lincoln Birthday bill, for it was in fact during the consideration of the rent bill on April 28, 1924. He then said:

Why should we sneeze for everybody out of the Government Treasury. Everybody has reached the point now, particularly the people in the District of Columbia, where they think the Government owes them something. We ought to stop that.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ZIHLMAN. Mr. Chairman and gentlemen, as I understand the situation, this \$4,500,000 is money already collected from the taxpayers of the District of Columbia; it is now to the credit of the District but is not available for appropriation. If this bill passes, we give to the Appropriations Committee of the House the power to appropriate this money, not necessarily, as suggested by the gentleman from Oregon [Mr. HAWLEY]—

Mr. CRAMTON. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. CRAMTON. It has not been credited to the District. There is nothing about this \$4,000,000 on the books of the Treasury.

Mr. ZIHLMAN. Well, the gentleman does not contradict the fact that this money has been collected, has been appropriated but not used, and it has been accumulating over a period of years. The money does not necessarily have to be appropriated, as was suggested by the gentleman from Oregon [Mr. HAWLEY], to meet the District's contributions to the expenses of the municipal government. The Appropriations Committee can appropriate it for schools, for roads, for sewers, or for water. It is left entirely under the jurisdiction of the Appropriations Committee and the House.

Now, a great deal of emphasis has been laid on the fact that this committee did not go back by an actual audit to the years before 1911. Why, gentlemen, pursuant to resolutions adopted by this House, two audits were made from 1874 up until 1911, one known as the Mays report and the other known as the Spaulding report. These reports showed that the Federal Government was the creditor of the District of Columbia; that the District of Columbia owed the Federal Government more than \$2,000,000, which had been paid contrary to law. Congress acted upon those reports, and the District has reimbursed the Federal Government. Now, here is a commission appointed to make an investigation; they find a credit in favor of the District of Columbia and that this money is honestly owed to the District of Columbia. Should we accept the findings of these previous commissions and repudiate the findings of our own agents?

Mr. JONES. I would like to ask the gentleman a question for information. I notice a statement by the gentleman from Kentucky [Mr. JOHNSON] that the Mays report which the gentleman refers to only covered specific items.

Mr. ZIHLMAN. The report covered specific items, and later a gentleman by the name of W. W. Spaulding checked up the report of the Mays, father and son, I think, and brought out a number of additional items, and the commission which made this report went into those various items and found that in nearly every instance they had been taken care of, I think as stated by the gentleman from Georgia, with the exception of one item, and all that money has been credited to the Federal Government. This is a just debt. It

is money collected from the people of the District of Columbia and it should be made available by appropriation for their use.

Mr. SNELL and Mr. BLANTON rose.

Mr. ZIHLMAN. I yield first to the gentleman from New York.

Mr. SNELL. Does not the gentleman from Maryland think it would be better to bring in one comprehensive bill settling all the affairs connected with the fiscal relations of the District and settle them all at one time instead of taking them up piecemeal like bringing in a bill providing for this surplus fund, and this surplus fund bill is really a misnomer, because there is no such fund in the Treasury, as I understand it.

Mr. ZIHLMAN. There is a balance due the District according to the books of the Treasury. Whether the money is there or not, there is a book credit or book balance there.

Mr. SNELL. Is it a fact that there is a book balance there due the District?

Mr. ZIHLMAN. I refer the gentleman to the report of the committee.

Mr. SNELL. I understood the gentleman from Michigan [Mr. CRAMTON] to say there is not any book balance there.

Mr. ZIHLMAN. There is a certificate of the Comptroller General of the United States showing that there is a credit due the District less certain items which have been deducted by this committee.

Mr. SNELL. My position is we should settle all these matters at one time in one comprehensive bill and have them all wound up for all time, and I do not believe we will get anywhere by passing this bill and leaving the whole question open.

Mr. ZIHLMAN. I do not agree with the gentleman's statement. The matter to which the gentleman refers and which has been incorporated in a bill similar to this, introduced by the gentleman from Michigan, is an entirely different matter. That is a question of a lump-sum appropriation and a question of the repeal of the organic act.

Mr. SNELL. But it covers the whole fiscal relation of the District to the Government and settles these matters for all time or at least until new legislation is enacted.

Mr. ZIHLMAN. There are many questions involved, and you can not settle them all by one piece of legislation, even though it does come from the ready pen of the gentleman from Michigan [Mr. CRAMTON].

Mr. REED of West Virginia. Will the gentleman yield?

Mr. ZIHLMAN. I yield to the chairman of the committee.

Mr. REED of West Virginia. It has been very well stated by the gentleman and by other speakers that the taxpayers of the District of Columbia paid this lawfully, and no matter whether the law was just or unjust, it was the law, and they paid it into this fund. Is there any question but what at any time during those years, if Congress had made an appropriation for sewers or for other improvements in the District of Columbia, it would not have been perfectly legal and no question raised if Congress had passed an appropriation giving the District at any time the benefit of this money at the time it was paid into the Treasury.

Mr. ZIHLMAN. I do not think the gentleman is absolutely correct. I do not think Congress could appropriate in another fiscal year money they had deducted in a previous year.

Mr. REED of West Virginia. But at that time no question would have been raised about it belonging to the District and being paid to the District.

Mr. ZIHLMAN. No.

Mr. HAWLEY. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. HAWLEY. Is it the gentleman's position with reference to this fund that the District raised by taxation and paid into the Treasury of the United States some \$4,478,000 more than its proportionate share under the laws that had been passed from time to time?

Mr. ZIHLMAN. Where they have raised money which has not been used for the purpose appropriated and items have grown and built up this surplus. They have at times, for instance, during the war, appropriated money for certain improvements which it was not practical to go ahead with, and that money has gone over the period of the fiscal year and is lying in the Treasury and should be to the credit of the District.

Mr. BLANTON. Will the gentleman yield?

Mr. ZIHLMAN. I yield.

Mr. BLANTON. The gentleman spoke of the Mays report and the Spaulding report; has the gentleman read those two reports?

Mr. ZIHLMAN. I read what the commission said, wherein they give the items amounting to \$2,000,000.

Mr. BLANTON. They just merely mention those reports. The gentleman has not read those two reports?

Mr. ZIHLMAN. No.

Mr. Chairman, I ask for a reading of the bill.

The CHAIRMAN. The Clerk will read the bill for amendment.

Mr. CRAMTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAMTON. I presume this bill is to be read by sections and not by paragraphs?

The CHAIRMAN. It will be read by sections.

The Clerk read the bill, as follows:

Be it enacted, etc., That pursuant to the report of the joint select committee appointed under the provisions of the act entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, and for other purposes," approved June 29, 1922—

(a) There shall be credited to the general account of the District of Columbia required under the provisions of the first paragraph of such act to be kept in the Treasury Department the following sums:

- (1) \$7,574,416.90, representing the balance in the general fund in the Treasury for such District on June 30, 1922, and
- (2) \$665.46, representing an adjustment of certain errors; and
- (b) There shall be charged to such account the following sums:
 - (1) \$2,903,219.93, representing the District's proportion of unexpended balances of appropriations on June 30, 1922, together with certain obligations and encumbrances accruing after such date,
 - (2) \$191,890.35, representing the District's proportion of the annual bonus paid to certain employees of the District,
 - (3) \$41,500, representing the District's proportion of the cost of additional land for the National Zoological Park, and
 - (4) \$317.16, representing the District's proportion of an amount appropriated by special act of Congress for the relief of Eldred C. Davis.

Such credits and charges to the general accounts of the District of Columbia shall be made without the payment of interest thereon by either the United States or the District of Columbia; and the making of such credits and charges shall be held to be in full satisfaction of all claims and demands either for or against the United States or the District of Columbia in respect to the items involved therein.

The sum of \$4,438,154.92, representing the difference between such credits and charges, is hereby made permanently available in such account of the District of Columbia for appropriation by the Congress for such purposes as it may from time to time provide: *Provided*, That nothing contained in this act shall be construed to deprive the District of Columbia, as of and on June 30, 1922, in addition to the sum named herein, of credit for the surplus of revenues of said District collected and deposited in the Treasury of the United States during the fiscal year 1922, over and above all appropriations and other charges for that year or of credit for the unexpended balances of District of Columbia appropriations covered into the surplus fund by warrant of the Secretary of the Treasury issued on June 30, 1922; or of credit for the proportion the District of Columbia may be entitled to of miscellaneous receipts paid directly into the Treasury during the fiscal year 1922; or of credit for the amount erroneously charged against the revenues of the District for the fiscal year 1922 on account of appropriations made by the third deficiency act, fiscal year 1922, approved July 1, 1922, as the amount of said appropriations were charged against the revenues of the District of Columbia for the fiscal year 1923, totalling the sum of \$819,373.83, which is included in the total sum of \$2,903,219.93 mentioned in line 8, page 2, of this bill, and taken into account in arriving at the net balance of \$4,438,154.92, above stated.

Provided further, That the Comptroller General of the United States shall ascertain and determine whether the items mentioned in the preceding proviso were improperly taken into account in arriving at the net balance of \$4,438,154.92, and if, and to the extent that, any or all of said items shall be so determined to have been improperly taken into account, the amount thereof shall be added to the said fund of \$4,438,154.92 and likewise shall be available permanently in the general account of the District of Columbia for appropriation by the Congress for such purposes as it may from time to time provide: *And provided further*, That the Comptroller General shall submit to the Congress at its next regular session a detailed report of the result of his determination and action as authorized herein.

Mr. CRAMTON. Mr. Chairman, I make a point of order.

Mr. BLANTON. I have a preferential motion, Mr. Chairman.

The CHAIRMAN. The gentleman from Michigan has a point of order, which will be heard first.

Mr. CRAMTON. Mr. Chairman, I make the point of order that the bill in effect proposes an appropriation and hence the

Committee on the District of Columbia has no jurisdiction. In support of that I would like to call the attention of the Chair to the fact that on page 1 of the bill, lines 10 and 11, this language is used:

There shall be credited to the general account of the District of Columbia required under the provisions of the first paragraph of such act, to be kept in the Treasury Department, the following sums.

And then various sums are enumerated.

On page 3 it is set forth in line 5 and following that—

The sum of \$4,438,154.92, representing the difference between such credits and charges, is hereby made permanently available in such account of the District of Columbia for appropriation by the Congress for such purposes as it may from time to time provide.

The fund referred to is that in the first paragraph of the 1922 appropriation act which contains these provisions, eliminating those which do not bear upon the question of the fund:

And that in order that the District of Columbia may be able annually to comply with the provisions hereof, and also in order that the said District may be put upon a cash basis as to payment of expenses, there hereby is levied for each of the fiscal years ending June 30, 1923, 1924, 1925, 1926, and 1927, a tax at such rate on the full value, and no less, of all real estate and tangible personal property subject to taxation in the District of Columbia as will, when added to the revenues derived from privileges and from the tax on franchises, corporations, and public utilities, as fixed by law, and also from the tax, which hereby is levied, on such intangible personal property as is subject to taxation in the District of Columbia, at the rate of five-tenths of 1 per cent on the full market value thereof, produce money enough to pay such annual expenses as may be imposed on the District of Columbia by Congress, and in addition to such annual expenses a surplus fund sufficient to enable the District of Columbia to get upon a cash-paying basis by the end of the fiscal year 1927.

And that until July 1, 1927, the Treasury Department may continue to make advancements toward the payment of the expenses of the District of Columbia as has been done during preceding years, but after June 30, 1927, it shall be unlawful for any money to be so advanced or for any money whatever to be paid out of the Treasury for District purposes unless the District, at the time of such payment, has to its credit in the Treasury money enough to pay the full per cent required of it.

And that on July 1, 1922, the Treasury Department shall open, and thereafter accurately keep, an account showing all receipts and disbursements relative to the revenues and expenditures of the District of Columbia, and shall also show the sources of the revenues, the purpose of expenditure, and the appropriation under which the expenditure is made.

The point of order I make is that the bill before us is in effect an appropriation; that is to say, it takes \$4,000,000 plus in the Treasury of the United States over which the District of Columbia has no control whatever, takes it out of this fund and turns it over to the District of Columbia just as fully as Congress could do it under existing conditions. If this were a claim from a State, instead of using the language here and transferring it on the books of the Treasury we would turn the money over to the State, and the State would make the expenditure in accordance with its own uses. But a peculiar situation prevails in the District of Columbia. As to the District of Columbia the Treasury keeps the books, as to the District of Columbia Congress determines the appropriations. Now, what I understand will be the procedure if the bill becomes a law is this: The Treasurer will mark down in a special account authorized in the appropriation act of 1923, the account they were required to open, as a receipt of the District of Columbia an item of \$4,000,000 plus. It will be entered in there the same as if they had received \$4,000,000 from taxes or from license fees, and it will be called a receipt of the District of Columbia in that special account. We will pass an appropriation bill, we will say, for \$30,000,000 and out of which \$21,000,000 is to be paid from that special fund of the District of Columbia and \$9,000,000 from a general fund of the Federal Government. Now, that \$21,000,000, when they try to determine the tax rate they will first determine how much surplus was left over from last year; that is, when they levy the taxes they can not levy exactly the amount that was necessary to take care of the expenditure for the current year, and they have to run over a little. Whatever it was is valid under the present law for next year's expenditures and what is coming in in the license taxes, and so forth—in other words, the balance that remains in that fund this year—they will use next year. Then they will say, "Here is \$4,000,000 that is ours," and they will

subtract that and say, perhaps, "\$15,000,000 would be all that is necessary to raise from taxation."

It may be said that this is not appropriating the money, that further action is to be had by Congress. That is because of the dual capacity which Congress occupies with reference to District financial matters.

We are acting to-day on behalf of the Federal Government determining how much money the Federal Government should pay over to the District. When we have authorized that money to be paid over and in effect it has been paid over, although there is only a transfer on the books—in effect it amounts to a transfer—then comes the other function of Congress in acting for the District in determining how the District shall spend the money—a situation that would not obtain if a State were the claimant. Under the conditions as they are, we are assuming to-day to do all that is physically possible. For instance, if this bill were so drafted that no further action by Congress was necessary, we would have to provide to turn the \$4,000,000 plus over to somebody. To whom could we turn it over? We could not turn it over to the District auditor, because he has no authority to receive it or to expend it. We could not turn it over to the commissioners, because they have no authority to expend it. To whomsoever you turned it over there would remain the necessity of Congress providing for its expenditure. So I contend that this goes as far as we could go if we were seeking to make a direct appropriation of \$4,000,000 to the District. It is in effect taking \$4,000,000 out of the Federal Treasury and turning it over to the District of Columbia. That being true, it would not be within the jurisdiction of this committee.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. SNELL. The District of Columbia could not spend this money without the authorization of Congress, could it?

Mr. CRAMTON. That is because Congress acts for the District government, and it is in a sense the guardian of the District.

Mr. SNELL. Are there not certain funds, fees, and so forth, that come into the District that the District can spend without authority of Congress?

Mr. CRAMTON. Not now.

Mr. SNELL. I understood from some statements made to-day that there were.

Mr. CRAMTON. Formerly there were, but I think that has been done away with; for instance, such products as might come from some of the institutions which might be sold.

Mr. SNELL. When we provide for a certain tax on the District does not that in a certain way appropriate as much as this would?

Mr. CRAMTON. The gasoline tax is an instance of that. The gasoline tax is a special tax, and that is paid by those who buy gasoline. That is turned into the Treasury and is held by the Treasury as the money of the District of Columbia to the credit of the District of Columbia, but the District of Columbia can not spend that for the purpose that is authorized by law for the improvement of highways except as Congress authorizes such appropriations. When Congress does authorize such an appropriation Congress is then acting not for the Federal Government but for the District of Columbia. To-day we are acting for the Federal Government in taking \$4,000,000 away from the Treasury and giving it to the District. When we come to consider the District appropriation bill we will then be in effect acting for the District of Columbia in our capacity as trustee or guardian.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. CARTER. Suppose before any appropriation is made of this fund Congress should change its mind and come to the conclusion that the District was not entitled to this sum of money? What would the gentleman say about the power of Congress to then take the account back; to send the money back to the Treasury?

Mr. CRAMTON. That illustrates the peculiar relation that Congress bears to these matters. If that were the State of Oklahoma and we should to-day pass an act turning \$4,000,000 over to the State of Oklahoma, we could not next year pass an act taking it back, because we do not govern the State of Oklahoma, but inasmuch as we have full Government control over the District of Columbia then next year, if we so desire, we can of course repeal this and take it away.

Mr. ZIHLMAN. Mr. Chairman, I call the attention of the Chair to the language of the bill, that we are simply attempting to carry out the findings of a joint select committee of Congress, which found that this money should be credited to

the District of Columbia, and that in paragraph (a) we simply provide that the money be credited to the general account of the District of Columbia, and on page 3 of the bill we make this sum permanently available in such account of the District of Columbia for appropriation by Congress. Certainly it is a mere crediting of these items and is in no sense an appropriation as it has been stated by the gentleman who made the point of order, and it has been stated by him that a mere authorization of an appropriation does not necessarily mean that Congress is going to make the money available.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ZIEHLMAN. Yes.

Mr. MOORE of Virginia. Suppose the bill simply stated that taking into consideration laws heretofore in effect and collections and disbursements heretofore made the House reached the conclusion that the District of Columbia is entitled to the credit of the \$4,000,000 plus?

Now, if the bill stopped right there, certainly the point of order would not lie. The bill goes beyond that and it says as to this amount of money that it is placed primarily in the control and under the authority of the Committee on Appropriations, so we have a simple case of a bill doing two things. First, recognizing that an accounting has been made and a certain balance found, and independent of that power is conferred on the Committee on Appropriations to act.

Mr. ZIEHLMAN. As they see fit.

Mr. WINGO. Mr. Chairman, I think the complete answer to the point of order is the character of the bill. What does the bill seek to do? It seeks to restate an account. That is what it is, but it specifically provides for authorization for an appropriation to carry out the result of the restatement of the account. Suppose you brought in a bill to-day that in the administration of the pension laws of the United States Bill Jones shall be deemed to have done so and so. Would a point of order lie against that for an appropriation? The gentleman says, however, we are in a dual capacity; that if it was the State of Oklahoma which had an account restated Congress would not have any power to meet next year and take the money away from them. Instead of that being an argument in support of the point of order it is against it. We are acting in a dual capacity. We are stating an account between ourselves and the District of Columbia and we simply certify and declare by a lawful resolution that in the handling of this account heretofore we have not stated the account correctly, and that the Government shall restate the account so that the facts may appear. Now, it is the facts that will make available whatever results the gentleman from Michigan talks about, but it specifically provides an appropriation by Congress. The money is not there in one breath, and here in the next breath they say there is an appropriation of money. It is simply a restatement of an account and not one dollar can be used after the account is restated until there is an appropriation by Congress to cover it. Now, the effect of the working out of laws, as, for instance, the fixing of a quota for levying the tax rate in the District, that is an incidental and indirect effect that does not bear on the direct question with reference to a direct appropriation for which the legislative committee is not authorized to provide.

Mr. HAWLEY. Mr. Chairman, this bill does two things. First, it states that as a fact the District of Columbia has paid the Treasury of the United States the sum of four million four hundred and thirty-eight odd thousand dollars, which has not been expended by reason of appropriations made by Congress; and then, secondly, there is that amount of money to the credit of the District in the Treasury. Then in order to prevent any question as to its future disbursement the bill provides that the money shall not be disbursed in any way except by appropriation made by Congress for such purpose as Congress may direct. It seems to me that it is a legislative bill from a legislative committee establishing a legislative fact, and it is providing how the money shall be controlled and by whom appropriated under the rules of the House and under the laws of the country.

Mr. BLANTON and Mr. CARTER rose.

The CHAIRMAN. Did the gentleman from Texas speak before on the point of order?

Mr. BLANTON. I yield to the gentleman from Oklahoma.

Mr. CARTER. Mr. Chairman, a few moments ago I asked the committee chairman this question: Suppose that Congress should change its mind with reference to this matter and should conclude by the next session of Congress that it did not owe the District of Columbia this \$4,000,000, the money having already been transferred to the credit of the District, would Congress then have the right to take that money from

the District and return it to the Federal Government? I may be wrong about it, but to my mind that goes to the meat of the proposition. If Congress has the right to pass a bill at the next session taking from the District this \$4,000,000, return it to the Federal Treasury, then I think at least the spirit of the rule with reference to appropriations would not be violated, and, perhaps, the letter of it. But if it is not, then certainly this must be considered as an appropriation. Whenever we legislate the Federal Government's interest away and vest that interest in another party, certainly that must be an appropriation of money.

Mr. BLANTON. Mr. Chairman, an appropriation, as the Chair knows, is taking money out of the general fund of the Treasury and applying it to some account; when it is so taken and applied it is appropriated. This bill does nothing less than direct the Secretary of the Treasury to take out of the general fund of the Treasury \$7,574,916.90 and credit it to the District, and then charge certain amounts against that sum, making a net credit of \$4,433,164.92. When this bill directs the Secretary of the Treasury to take money from the general fund and credit it to the District of Columbia, it is an appropriation of money from the general fund. When it leaves the general fund it is appropriated.

I want to call the attention of the Chair to a decision rendered by Mr. Speaker GILLET when there was a bill from the Committee on the Judiciary here before the House seeking to put into force and effect in one of our island possessions certain provisions of the prohibition law which we had made applicable to the United States. The gentleman from Massachusetts, Mr. Walsh, a former distinguished parliamentarian of this House, raised the question that that bill could not be considered, because the committee from which the bill came had no appropriating power, and that it carried, in effect, an appropriation, because it required the expenditure of public money already appropriated by Congress to enforce prohibition in the United States; and Mr. Speaker GILLET sustained the point of order, notwithstanding the fact that four-fifths of this House wanted to consider that bill and wanted to pass it. That point of order, made by Mr. Walsh, was sustained, and we were refused consideration of that bill.

Because I thought it best to fight this bill out on the floor and let a vote be reached on the merits of it, I did not make the point of order myself, and yet I believed the point of order was good. I think the Chair can not escape sustaining the point of order made by the gentleman from Michigan [Mr. CRAMTON].

Mr. LA GUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LA GUARDIA. Does the gentleman make any distinction between the wording, "the Secretary of the Treasury is hereby authorized," and the language empowering him to make a credit available?

The CHAIRMAN. The point of order of the gentleman from Michigan [Mr. CRAMTON] is that this bill carries an appropriation and therefore can not be reported by this committee, because the committee has no jurisdiction to report appropriations. He makes the point of order under section 4 of Rule XXI. The part applicable to this case is the first portion of the section, which the Chair will read:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations.

The gentleman from Michigan maintains that in effect this bill makes an appropriation. In order to consider the matter from all sides let us turn it around for a moment. Suppose that the District of Columbia appropriation bill were pending before the committee and the gentleman from Maryland [Mr. ZIEHLMAN] should arise and attempt to offer this bill as an amendment to the appropriation bill on the ground that it is an appropriation. If the gentleman from Michigan were on guard, we should very probably see him rise in his place and contend that it is not an appropriation, in order to keep it off his appropriation bill.

Mr. CRAMTON. Mr. Chairman, I think in that event the point of order might be that it was an appropriation, but an appropriation not authorized by law. Legislation is required on the appropriation, and I contend that this is not merely a bill authorizing an appropriation, but an appropriation itself.

The CHAIRMAN. The question is whether it is, in fact, an appropriation; and that raises the question of just what an appropriation is, in the sense in which it is used in the rule. It does not follow because the ultimate result would be to charge the Treasury with an additional \$4,500,000 over and above that with which it is now charged that it is therefore

an appropriation. As the Chair understands, what in the last analysis constitutes an appropriation is the final authority for separating from the Treasury a sum of money carried in a bill.

In the case cited by the gentleman from Texas [Mr. BLANTON], the decision of Mr. Speaker GILLET was in a case where an amendment came over from the Senate adding an additional amount to an appropriation. A different rule applies to Senate amendments that is not applicable here. It seems clear to the Chair that this bill does not carry an appropriation in the sense in which that word is used in the rules of this House. Therefore the Chair overrules the point of order made by the gentleman from Michigan.

Mr. BLANTON. Mr. Chairman, I make a preferential motion. I move to strike out the enacting clause.

The CHAIRMAN. The gentleman from Texas moves to strike out the enacting clause. The question is on agreeing to that motion.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from Texas asks for a division. As many as favor striking out the enacting clause will rise and stand until they are counted.

The committee divided; and there were—ayes 32, noes 47.

So the motion was rejected.

Mr. CRAMTON. I offer an amendment, Mr. Chairman.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 3, lines 8 and 9, after the word "Congress," strike out "for such purposes as it may from time to time provide" and insert in lieu thereof the following, "for purchase of land and construction of buildings for public school, playground, and park purposes."

Mr. WINGO. Mr. Chairman, I make the point of order that the bill simply provides that this fund shall be available in general terms while the gentleman's amendment seeks to provide that it shall be spent in a specific manner. It seeks to turn a general bill into a specific one and, therefore, is not germane, because this is an authorization for general purposes hereafter to be determined. The gentleman seeks to go further and determine now the purposes for which the fund shall be used.

Mr. BLANTON. Mr. Chairman, I make the further point of order that it is not germane either to the bill or to the section to which it is offered. This bill claims to be an audit and the settlement of an account. If this money, as stated by the gentleman from Arkansas [Mr. WINGO], is due the District, they have the right to use it in any way the law provides, and they can not be restrained from so using it and made to use it in some particular way.

Mr. CRAMTON. Mr. Chairman, in reply to the point of order I only want to say that I thought this amendment was satisfactory to the friends of the bill. The bill provides that the money shall be available for appropriation by Congress for such purposes as it may from time to time provide, and all of the purposes enumerated are purposes for which the Congress has authority to make appropriations. Therefore we do not broaden the language, but do specify that this money can only be used for certain purposes.

Mr. WINGO. The gentleman will admit that the language he seeks to strike out simply provides this, that it shall be available for general appropriation purposes in the future, such purposes to be determined hereafter by Congress. The gentleman seeks to take up that question now.

Mr. CRAMTON. Which we have a perfect right to do.

Mr. WINGO. In other words, the bill provides that the purposes for which the fund is to be used are to be determined later by Congress, and the presumption is that those purposes will be determined when we pass the annual District of Columbia bill. Now, the gentleman by his amendment seeks to go into that field and undertakes to determine something that is generally and ordinarily determined in the consideration of the annual appropriation bill or in a special bill that might be brought in, so that it would really be an appropriation.

Mr. CRAMTON. If the amendment I have offered should be adopted, it would still be incumbent upon Congress to determine specifically the use of the money for this school or that park or that playground, but the scope of the purpose has been narrowed by this amendment.

Mr. WINGO. Is not that a question which is determined when we pass the annual District appropriation bill? Do we

not at that time determine the purposes for which the funds in the Treasury credited to the District shall be appropriated? That is an appropriating act, is it not?

Mr. CRAMTON. It has been held that this is a legislative act and not an appropriation act. Now, when Congress passes appropriations those appropriations must be sustained by existing legislation, and they can not be for purposes not authorized by law. If any amendment is accepted this bill will present a more limited authority for appropriating purposes than it would as it stands at present.

Mr. MOORE of Virginia. May I ask the gentleman, would not that, in essence, although to a limited or modified extent, be making an appropriation?

Mr. CRAMTON. No; it would not. It is enumerating and restricting the subjects of appropriation, and the making of the particular appropriations we leave, under the rules, to the Committee on Appropriations.

The CHAIRMAN. The Chair is ready to rule. On the point of order made by the gentleman from Arkansas [Mr. WINGO] it is sufficient to call attention to the fact that it is one of the fundamental principles of parliamentary law that while a specific subject may not be amended by a provision general in its nature, a general subject may always be amended by a specific proposition of the same class. The terms of this bill being general, it follows that the specific proposition may be added. The Chair overrules the point of order.

The gentleman from Texas [Mr. BLANTON] makes the point of order that the amendment is not germane to the preceding section. As there is no preceding section, the bill having only one section, the Chair overrules this point of order.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. MORGAN, for five days, beginning January 13.

Mr. O'SULLIVAN (at the request of Mr. GARRETT of Tennessee), indefinitely, on account of illness.

Mr. PATTERSON, for two days, on account of important business.

APPOINTMENT TO COMMITTEE

Mr. LONGWORTH. Mr. Speaker, I move the election of the gentleman from Iowa, Mr. KOPP, to fill one of the vacancies existing on the Committee on Flood Control.

The motion was agreed to.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until to-morrow, Tuesday, January 13, 1925, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

789. A letter from the president of the Chesapeake & Potomac Telephone Co., transmitting report of the Chesapeake & Potomac Telephone Co. for the year 1924; to the Committee on the District of Columbia.

790. A letter from the Public Printer, transmitting annual report of the operations of the Government Printing Office for the fiscal year ended June 30, 1924; to the Committee on Printing.

791. A letter from the Secretary of War, transmitting a draft of proposed legislation for the relief of the commanding officer Fort Huachuca, Ariz.; to the Committee on Claims.

792. A letter from the Secretary of War, transmitting report of the Chief of Engineers, United States Army, showing the name of each civilian engineer employed between July 1, 1923, and June 30, 1924, in the work of improving rivers and harbors, the time so employed, the compensation paid, and the place at and works on which employed; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. SNELL: Committee on Rules. H. Res. 400. A resolution providing for the consideration of H. R. 11472; without amendment (Rept. No. 1132). Referred to the House Calendar.

Mr. FREE: Committee on the Merchant Marine and Fisheries. H. J. Res. 317. A joint resolution extending the time limitation authorizing the use of Government-owned radio stations for certain purposes; without amendment (Rept. No. 1133). Referred to the House Calendar.

Mr. UNDERHILL: Committee on Claims. S. 2719. An act to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun*; without amendment (Rept. No. 1134). Referred to the Committee of the Whole House on the state of the Union.

Mr. JAMES: Committee on Military Affairs. H. R. 11252. A bill for the construction of additional facilities at Walter Reed General Hospital; without amendment (Rept. No. 1164). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 11410. A bill to extend the time for the exchange of Government lands for privately owned lands in the Territory of Hawaii; without amendment (Rept. No. 1165). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. UNDERHILL: Committee on Claims. S. 78. An act for the relief of the owners of the barge *Anode*; with an amendment (Rept. No. 1135). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 82. An act for the relief of the owners of the steamship *Comanche*; with an amendment (Rept. No. 1136). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 84. An act for the relief of the owners of the steamship *Ceylon Maru*; with an amendment (Rept. No. 1137). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 785. An act for the relief of the Eastern Transportation Co.; without amendment (Rept. No. 1138). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 833. An act for the relief of Emma LaMee; without amendment (Rept. No. 1139). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 1038. An act for the relief of the Brooklyn Eastern District Terminal; without amendment (Rept. No. 1140). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 1039. An act for the relief of the owner of the scow *W. T. C. No. 35*; with an amendment (Rept. No. 1141). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 1040. An act for the relief of the owners of the New York Sanitary Utilization Co. scow No. 14; with an amendment (Rept. No. 1142). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. S. 1930. An act for the relief of the San Diego Consolidated Gas & Electric Co.; without amendment (Rept. No. 1143). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 1937. An act for the relief of the Staples Transportation Co., of Fall River, Mass.; without amendment (Rept. No. 1144). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2079. An act for the relief of the owner of the American steam tug *O'Brien Brothers*; without amendment (Rept. No. 1145). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2130. An act for the relief of the owner of the ferryboat *New York*; without amendment (Rept. No. 1146). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2254. An act for the relief of the Beaufort County Lumber Co., of North Carolina; without amendment (Rept. No. 1147). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2293. An act for the relief of Lehigh Valley Railroad Co. and McAllister Lighterage Line (Inc.); without amendment (Rept. No. 1148). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2800. An act for the relief of the Canada Steamship Lines (Ltd.); without amendment (Rept. No. 1149). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2992. An act for the relief of the Berwind-White Coal Mining Co.; without amendment (Rept. No. 1150). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 4913. A bill to pay to Jere Austill fees earned as United States commissioner; without amendment (Rept. No. 1151). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. H. R. 5637. A bill for the relief of Edward R. Wilson, lieutenant commander, Supply Corps, United States Navy; without amendment (Rept. No. 1152). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. H. R. 7969. A bill for the relief of Henry Oates; with an amendment (Rept. No. 1153). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. H. R. 8651. A bill for the relief of Oscar P. Stewart; without amendment (Rept. No. 1154). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 9238. A bill for the relief of the owners of the barkentine *Monterey*; with an amendment (Rept. No. 1155). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1960. A bill for the relief of Willard Thompson; without amendment (Rept. No. 1156). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 2225. A bill to correct the military record of Thornton Jackson; with an amendment (Rept. No. 1157). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 2739. A bill to remove the charge of desertion from the records of the War Department standing against William J. Dunlap; with an amendment (Rept. No. 1158). Referred to the Committee of the Whole House.

Mr. McKENZIE: Committee on Military Affairs. H. R. 3541. A bill for the relief of Henry Shull; with an amendment (Rept. No. 1159). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 7934. A bill for the relief of Benjamin F. Youngs; without amendment (Rept. No. 1161). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 10763. A bill for the relief of William Lentz; without amendment (Rept. No. 1162). Referred to the Committee of the Whole House.

Mr. VAILE: Committee on the Public Lands. H. R. 2905. A bill to authorize an exchange of lands with Ed Johnson, of Eagle, Colo.; without amendment (Rept. No. 1163). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 3727. A bill for the relief of Andrew Cullin; without amendment (Rept. No. 1160). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 10420) granting a pension to Susie Elgretta Henderson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11486) granting an increase of pension to Frances A. Horr; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 11231) granting a pension to Gilbert B. Perrin; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LEAVITT: A bill (H. R. 11540) making a grant of land for school purposes, Fort Shaw division, Sun River project, Montana; to the Committee on the Public Lands.

By Mr. PEAVEY: A bill (H. R. 11541) to provide for the establishment of transportation lines on the Great Lakes, to increase the capital stock, powers, and duties of the Inland Waterways Corporation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH: A bill (H. R. 11542) to authorize the Secretary of State to acquire in Rome a site, with an erected building thereon, at a cost not to exceed \$250,000, for the use of the diplomatic and consular establishments of the United States; to the Committee on Foreign Affairs.

Also, a bill (H. R. 11543) to authorize the Secretary of State to acquire in Brussels a site, with an erected building thereon, at a cost not to exceed \$200,000, for the use of the diplomatic and consular establishments of the United States; to the Committee on Foreign Affairs.

Also, a bill (H. R. 11544) to authorize the Secretary of State to acquire in Berlin a site, with an erected building thereon, at a cost not to exceed \$250,000, for the use of the diplomatic and consular establishments of the United States; to the Committee on Foreign Affairs.

Also, a bill (H. R. 11545) authorizing the Secretary of War to replace the granite with marble on the tomb of the unknown soldier in front of the Memorial Amphitheater in the Arlington Cemetery; to the Committee on the Library.

By Mr. VESTAL: A bill (H. R. 11546) to define the status of retired officers of the Regular Army who have been or may be detailed as professors and assistant professors of military science and tactics at educational institutions; to the Committee on Military Affairs.

By Mr. SEARS of Florida: A bill (H. R. 11547) granting to the town of Palm Beach, State of Florida, certain public lands of the United States of America for the use and benefit of said town; to the Committee on the Public Lands.

By Mr. LEACH: A bill (H. R. 11548) to admit free of duty carillons of bells for use in houses of worship and for the remission and refunding of duties on certain carillons of bells; to the Committee on Ways and Means.

By Mr. TAGUE: Joint resolution (H. J. Res. 318) establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Bunker Hill, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; to the Committee on the Library.

By Mr. FISH: Resolution (H. Res. 401) requesting the executive department to ascertain from the council of ambassadors its attitude toward a proposed change in regulations governing the manufacture of commercial aircraft in Germany and to inform the House of Representatives; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLGOOD: A bill (H. R. 11549) granting a pension to Sarah F. Berry; to the Committee on Pensions.

By Mr. BEGG: A bill (H. R. 11550) granting an increase of pension to Pauline Lieball; to the Committee on Invalid Pensions.

By Mr. BLACK of New York (by request): A bill (H. R. 11551) granting a pension to Oskar Hofstrand; to the Committee on Pensions.

Also (by request), a bill (H. R. 11552) granting a pension to Thomas Keenan; to the Committee on Pensions.

Also (by request), a bill (H. R. 11553) for the relief of Mary E. Mann; to the Committee on Claims.

By Mr. CAREW: A bill (H. R. 11554) granting a pension to George W. Kohler; to the Committee on Invalid Pensions.

By Mr. COLTON: A bill (H. R. 11555) to recognize and reward the accomplishment of Russel L. Maughan; to the Committee on Military Affairs.

By Mr. DAVEY: A bill (H. R. 11556) granting a pension to Flora M. Burbeck; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 11557) for the relief of John G. Pavak; to the Committee on Claims.

By Mr. FOSTER: A bill (H. R. 11558) granting an increase of pension to Nancy Beverage; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 11559) granting an increase of pension to Adelaide J. Balcom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11500) granting an increase of pension to Katie Busby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11561) granting an increase of pension to Mary A. Donaghy; to the Committee on Invalid Pensions.

By Mr. JOST: A bill (H. R. 11562) granting an increase of pension to Harriet J. Spencer; to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 11563) granting an increase of pension to Jemima E. Downer; to the Committee on Invalid Pensions.

By Mr. LEACH: A bill (H. R. 11564) for the relief of Mabel Lane Beck; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 11565) granting a pension to Peter R. Crum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11566) granting a pension to William Garrett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11567) granting an increase of pension to Martha M. Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11568) granting an increase of pension to Nancy A. Irwin; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 11569) granting an increase of pension to Blanche J. Barnard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11570) granting an increase of pension to Julia E. Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11571) granting an increase of pension to Louisa D. Smith; to the Committee on Invalid Pensions.

By Mr. SWEET: A bill (H. R. 11572) granting an increase of pension to Almira J. Brown; to the Committee on Invalid Pensions.

By Mr. SWOOPE: A bill (H. R. 11573) granting an increase of pension to Harriet A. Daniels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11574) granting an increase of pension to Nancy J. Strickland; to the Committee on Invalid Pensions.

By Mr. THATCHER: A bill (H. R. 11575) for the relief of the estate of David B. Dowdell, deceased; to the Committee on War Claims.

By Mr. UNDERWOOD: A bill (H. R. 11576) granting an increase of pension to Martha Tuttle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11577) granting an increase of pension to Rebecca J. Eveland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11578) granting a pension to Edward H. Packer; to the Committee on Pensions.

Also, a bill (H. R. 11579) granting an increase of pension to Mary Wisheart; to the Committee on Invalid Pensions.

By Mr. VAILE: A bill (H. R. 11580) for the relief of Sheldon R. Purdy; to the Committee on the Post Office and Post Roads.

By Mr. WILSON of Indiana: A bill (H. R. 11581) granting an increase of pension to Cornelia M. Matthews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11582) granting an increase of pension to Anna E. Greenlees; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3413. By the SPEAKER (by request): Petition of Fred A. Humphrey's Post, No. 8, American Legion, Casa Grande, Ariz., favoring the early passage of House bill 6484, for the retirement of disabled emergency officers; to the Committee on Military Affairs.

3414. Also (by request), petition of Captain Jarvis Post, No. 209, G. A. R., at Norton, Department of Kansas, asking for the repeal by Congress of the law authorizing the issue of memorial 50-cent pieces; to the Committee on Coinage, Weights, and Measures.

3415. Also (by request), petition of Mrs. Charles Ditter and other Gold Star Mothers, asking for favorable consideration on House bill 9538; to the Committee on Military Affairs.

3416. Also (by request), petition of American Federation of Labor, requesting an impartial investigation by Congress of frauds and violences alleged to have been committed during the last election held in Porto Rico, November 4, 1924; to the Committee on Insular Affairs.

3417. By Mr. ROUSE: Petition of 18 citizens of Kenton County, Ky., against the passage of a compulsory Sunday observance bill or any other religious legislation; to the Committee on the District of Columbia.

3418. By Mr. FULLER: Petitions of William H. Mulholland Co., Howard & Orr Co. (Inc.), McKay & Poague, and P. H. Cummings & Co., all of Chicago, Ill., opposing the bills to

provide for a permanent rent commission for the District of Columbia; to the Committee on the District of Columbia.

3419. By Mr. HAWLEY: Petition of residents of Sheridan, Oreg., to the House of Representatives not to concur in the passage of the compulsory Sunday observance bill (S. 3218), nor to pass any other religious legislation which may be pending; to the Committee on the District of Columbia.

3420. By Mr. KETCHAM: Petition of citizens of Hastings, Mich., protesting against Senate bill 3218, a bill providing for compulsory Sunday observance; to the Committee on the District of Columbia.

3421. By Mr. MacLAFFERTY: Petition of citizens of Alameda County, Calif., opposing the passage of the compulsory Sunday observance bill (S. 3218) or any other national religious legislation which may be pending; to the Committee on the District of Columbia.

3422. By Mr. SINNOTT: Petitions of residents of Linn County Oreg., protesting against the passage of the Sunday observance bill (S. 3218); to the Committee on the District of Columbia.

3423. Also, petitions of residents of Washington County, Estacada, Toledo, Gaston, Forest Grove, and Newport, Oreg., protesting against the passage of the Sunday observance bill (S. 3218); to the Committee on the District of Columbia.

3424. Also, petitions of residents of Salem, Forest Grove, Washington County, Sunnyside, and Linn County, Oreg., protesting against the passage of the Sunday observance bill (S. 3218); to the Committee on the District of Columbia.

3425. By Mr. SPEAKS: Papers to accompany House bill 11393, granting an increase of pension to Harriet Gale; to the Committee on Invalid Pensions.

3426. By Mr. TAGUE: Petition of Boston Municipal Council, United Spanish War Veterans, indorsing the enactment of the Knutson bill for relief of veterans of the war with Spain; to the Committee on Pensions.

3427. Also, petition of Massachusetts Committee, American Jewish Congress, favoring enactment of resolution providing for admittance extra quota immigrants now at ports of entry; to the Committee on Immigration and Naturalization.

3428. Also, petition of E. J. Auman, Dow & Co., and the Sulpho Naphthol Co., both of Boston, favoring adoption of the recommendations of the Postmaster General that legislation be enacted to regulate and equalize all rates of postage, in order that each class of mail shall be self-sustaining; also, letter from the George Close Co., of Boston, favoring the adoption of legislation for 1-cent letter mail; to the Committee on the Post Office and Post Roads.

SENATE

TUESDAY, January 13, 1925

(Legislative day of Monday, January 5, 1925)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Farrell, one of its clerks, announced that the House had passed the following bills of the Senate:

S. 1782. An act to provide for the widening of Nichols Avenue between Good Hope Road and S Street SE.; and

S. 3053. An act to quiet title to original lot 4, square 116, in the city of Washington, D. C.

The message also announced that the House had passed the bill (S. 387) to prescribe the method of capital punishment in the District of Columbia, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 10144) to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia," approved May 27, 1924, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had affixed his signature to the enrolled bill (H. R. 62) to authorize the appointment of an additional district judge in and for the district of Indiana and to establish judicial divisions therein, and for other purposes, and it was thereupon signed by the President pro tempore.

EXPENDITURES OF DEPARTMENT OF AGRICULTURE

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a detailed statement of expenditures for the Department of Agriculture for the fiscal year ended June 30, 1924, which was referred to the Committee on Agriculture and Forestry.

HOUSE BILL REFERRED

The bill (H. R. 10144) to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia," approved May 27, 1924, was read twice by its title and referred to the Committee on the District of Columbia.

REPORT OF THE BANKING AND CURRENCY COMMITTEE

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (S. 3632) to amend the Federal farm loan act and the agricultural credits act of 1923, reported it with amendments and submitted a report (No. 861) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OVERMAN:

A bill (S. 3919) to amend section 206 of the transportation act, 1920; to the Committee on the Judiciary.

By Mr. SPENCER:

A bill (S. 3920) to pension soldiers who were in the military service of the United States during the period of Indian wars, campaigns, and disturbances, and the widows, minors, and helpless children of such soldiers, and to increase the pensions of Indian war survivors and widows; to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 3921) for the relief of Alfred F. Land; to the Committee on Claims.

A bill (S. 3922) to amend the act entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor," approved June 7, 1924; to the Committee on Agriculture and Forestry.

By Mr. ODDIE:

A bill (S. 3923) granting a pension to Thomas A. McCharles (with accompanying papers); to the Committee on Pensions.

By Mr. GREENE:

A bill (S. 3924) granting an increase of pension to Edna M. Cross; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 3925) granting the consent of Congress to the county of Allegheny, Pa., to construct a bridge across the Monongahela River in the city of Pittsburgh, Pa.; to the Committee on Commerce.

By Mr. WILLIS:

A bill (S. 3926) granting an increase of pension to Mary E. Mauk (with accompanying papers); to the Committee on Pensions.

By Mr. PEPPER:

A joint resolution (S. J. Res. 167) authorizing the erection on public grounds in the city of Washington, D. C., of a memorial to those who died in the aviation service of the Army, Navy, and Marine Corps in the World War; to the Committee on the Library.

SESQUICENTENNIAL OF AMERICAN INDEPENDENCE AND THOMAS JEFFERSON CENTENNIAL COMMISSION

Mr. COPELAND. Mr. President, I introduce a joint resolution and ask to have it read and referred to the Committee on the Library.

The joint resolution (S. J. Res. 166) authorizing the establishment of a commission to be known as the Sesquicentennial of American Independence and the Thomas Jefferson Centennial Commission of the United States, in commemoration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence and the one hundredth anniversary of the death of Thomas Jefferson, the author of that immortal document, was read the first time by its title, the second time at length, and referred to the Committee on the Library, as follows:

Whereas the 4th day of July, 1926, will mark the one hundred and fiftieth anniversary of the signing of the Declaration of Independence,